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Israeli Navy Thwarts Sea Raid; Sadat Marks 'Peace' Anniversary

From Agency Dispatches

TEL AVIV, Nov. 19 — A navy patrol boat killed two Palestinian guerrillas and captured two others, and two bombs exploded hours later in Jerusalem in attacks apparently timed to coincide with the celebration of Mr. Sinai today of the second anniversary of Egyptian President Anwar Sadat's first visit to Israel.

The military command said an Israeli patrol boat blew the guerrillas' rubber dinghy out of the water off Ashdod, four miles south of the Lebanese border, recovered the bodies of two Palestinians and picked up two survivors. The command said the guerrillas had fired bazookas at the Israeli patrol.

In the explosions in Jerusalem, one of the two bombs, apparently placed by Arab guerrillas, went off in a bus in a main square, injuring the driver and two policemen. Eight others were wounded in a second explosion in the Kiryat Yovel neighborhood, police said. Most of the injuries were minor, a police spokesman said.

The incidents coincided with a visit by Mr. Sadat to Mr. Sinai in fulfillment of a vow he made after his visit to Jerusalem exactly two years ago. He prayed to the sanctity of peace today in the shadow of the mountain where Moses is said to have received the Ten Commandments 3,500 years ago.

In a ceremony rich with symbolism and laced with peace to religious figures, Mr. Sadat declared unequivocally that "this place will be open as of now to the followers of the three religions without any limitations or formalities whatsoever."

As if to re-enforce the point, Moslems, Jews and Christians knelt upon an oriental carpet in the middle of the wilderness and prayed together in a simple but moving expression of amicitia fraternitatis. Watching was an array of religious figures, including Moslems, Greek Orthodox faithful, Egyptian Copts, Episcopalians, Coptic Jews, Buddhist monks and Shintos from Japan, all gathered to celebrate the turning over of the 1,400-year-old St. Catherine's monastery and Mt. Sinai to Egyptian control 13 years after the Israeli army captured the Sinai peninsula during the 1967 six-day war.

In his speech Mr. Sadat appealed to the peoples of the world to observe the teachings of God "for the promotion of fraternity and friendship and the elimination of bloodletting, violence and hatred."

"Today, peace has already become a shining reality. No one can reverse it all," Mr. Sadat said, in a reference to the Israeli-Egyptian peace treaty.

In attendance from the United States were former Special Ambassador Robert Strauss, U.S. Ambassador to Egypt Robert Atherton, Middle East envoy Harold Saunders, and about two dozen other Americans invited by Mr. Strauss, some of them well-known contributors to the Democratic Party.

Conspicuously missing from the ceremony was Israeli Prime Minister Menachem Begin, who was invited by Mr. Sadat but who declined, saying that he had a heavy schedule. Mr. Begin's aides said the prime minister thought that the ceremony should be paid informant of the Israeli press.

Mr. Begin's presence would be inappropriate.



Hostages designated for release by Iranian students embrace at a press conference last night at the U.S. Embassy in Tehran.

Government Bows to Pressure

British Parliament to Hold Debate on Blunt Spy Case

By R.W. Apple Jr.

LONDON, Nov. 19 (NYT) — The government yielded today to demands from angry members of Parliament for a full-scale House of Commons debate on the bizarre case of Anthony Blunt, the art historian who was unmasked last week as a Soviet agent 15 years after he had confessed. The debate will take place on Wednesday.

A decision on whether to appoint a board of inquiry into the affair will be deferred until after the debate, but ministers said it would be hard to resist the pressures for a major investigation.

One important side effect of the political storm is likely to be the death of the government's controversial protection of information bill, which was described as a reform of the Official Secrets Act but which has been denounced as more repressive than the old law. It would make possession of secret information a crime even if the information was not disclosed.

Although the new measure has already been approved in principle by the House of Lords, William Whitelaw, the home secretary, said that the government "would be prepared to look at this new bill and consider how it can be amended." The bill's timetable in the Lords was set back a week.

In the Commons this afternoon, members condemned the measure. Alan Keith, a Liberal, described it as the "protection of incompetence and covering up of treason bill."

Robin Cook, a Labor member, said the bill had been "deeply discredited by the events of the last few days" because, he charged, it would have made it impossible for Andrew Boyle to publish "A Climate of Treason," the book that led to the official revelation of Mr. Blunt's past.

As MPs from all three major parties pressed angrily for answers to a wide variety of questions, Mr. Blunt said through his lawyer, Michael Rubinstein, that he would issue a statement tomorrow afternoon at a news conference, limited to five British reporters, in the lawyer's London office. Mr. Rubinstein dismissed the statement as a "meeting with Sir Robert Armstrong, the Cabinet secretary, who informed the spy on Thursday that Prime Minister Margaret Thatcher was about to identify him in Parliament."

(Continued on Page 2, Col. 1)

First Captives Freed

Carter Warns Iranians Against Hostage Trials

From Agency Dispatches

TEHRAN, Nov. 19 — Iranian students holding the U.S. Embassy here presented 10 hostages to the press tonight and said that they would be released shortly. Three U.S. citizens were freed earlier today and flown to West Germany.

Meanwhile, President Carter demanded the immediate release of all U.S. hostages and warned that trying any as spies would increase "worldwide outrage."

"The specter has been raised of American diplomatic hostages being placed on trial," Mr. Carter said in a statement issued by the White House. "Such a step would be a further flagrant violation of elementary human rights, religious precepts and international law and practice."

"Worldwide outrage at the detention of the hostages would be greatly heightened by any attempt to put these diplomatic hostages on trial," the statement added, warning that "the government of Iran is responsible for achieving their immediate and safe release and the United States has a right to expect that Iran will do so."

Mr. Carter was in touch with his foreign policy advisers from his Camp David, Md., retreat, where he was spending Thanksgiving week.

Tonight, at a news conference in the embassy compound, the Iranian students presented a group of four women hostages and six blacks whom they said would be released shortly, probably tomorrow morning.

The women and blacks entered separately, and it was apparent that the two groups had not seen each other during their captivity. The women ran toward the men and kissed them in an emotional scene.

One of 10 hostages awaiting release from the occupied U.S. Embassy said that his bloodstained shirt had threatened to shoot some of the prisoners if he did not cooperate.

James Hughes, 24, was asked whether his captors told him he would be treated better if he cooperated.

He replied: "I was blindfolded, tied up and made to sit on a table and the guy (one of his captors) hinted in a way I didn't tell them what they wanted to know, he said, 'about maybe some of us would have to be shot.'"

"And I told them that was the risk of the job," Mr. Hughes said. "I have only been here a month so what could I tell him?"

During the news conference, other hostages said two more women and a black captive were still being held by the militants, presumably because they were considered spies and exempt from Ayatollah Ruhollah Khomeini's order to free blacks and women.

Mr. Hughes said he was "blinded, tied up and made to sit on a table and the guy (one of his captors) hinted in a way I didn't tell them what they wanted to know, he said, 'about maybe some of us would have to be shot.'"

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Earlier, three Americans — a woman secretary and two black Marine guards — were freed on the orders of Ayatollah Ruhollah Khomeini and flown to Wiesbaden, West Germany, by way of Copenhagen and Frankfurt.

It was Ayatollah Khomeini. (Continued on Page 2, Col. 7)

World Oil Trade Would Collapse Without Dollar, U.S. Officials Say

WASHINGTON, Nov. 19 (Reuters) — The world's oil trade could not run if payments in dollars were not accepted, Carter administration officials contend.

While individual nations, such as Iran, may demand payment in other currencies, several factors would preclude a significant shift away from the dollar, according to administration officials and private analysts.

"You cannot run the world's oil trade without using the dollar," an official said. "Maybe Iran could, but it would be impossible for all of OPEC."

Officials said that the surplus revenues of members of the Organization of Petroleum Exporting Countries are expected to exceed \$45 billion this year, a sum so large that only U.S. capital markets could absorb it. And the volume of transactions in oil would make it impossible for buyers to find the currencies that they need if they could no longer use the dollar, the officials said.

Meanwhile, Japanese and French officials said today that they have not been notified that Iran will not accept oil payments in dollars, although Iran wants the payments to be made through non-U.S. banks.

Abolhasan Bani-Sadr, the acting Iranian foreign minister, has said twice in the last week that Iran would no longer accept oil payments in dollars, but that was denied by Oil Minister Ali Akbar Moftakhar.

Turkey Premier Pledges Pro-West Foreign Policy

ANKARA, Nov. 19 (AP) — Premier Suleyman Demirel of Turkey today unveiled his government program, including a foreign policy that indicated he would continue the country's pro-Western course.

In his announcement to parliament, he said that foreign policy would be conducted "in accordance with the realities of our geographical position and in protection of the needs of our defense and economy."

This was interpreted to mean that Mr. Demirel intends to continue policies in favor of Turkey's membership in NATO.

He said that Turkey would continue to develop its relations with the United States on a basis of "mutual interest, mutual respect and loyalty to mutual commitments."

He called for peaceful negotiations to resolve the Cyprus question and other Turkish-Greek disputes, particularly over oil rights in the Aegean Sea. The only just solution on Cyprus would be a bizonal and bicommunal federation, Mr. Demirel said.

Mr. Demirel cited political terrorism, which has claimed an estimated 2,400 lives in the last two years, and a debilitating economic crisis as the major internal problems.

He said that inflation had reached 100 percent, that there were shortages of many items from gasoline to margarine, that industrial capacity was half idle and that unemployment, estimated 15 percent, was on the rise.

Mr. Demirel gave little hint of how he wanted to handle dealings with the International Monetary Fund. During the 22-month term of former Premier Bulent Ecevit, Turkey signed two stand-by agreements with the fund. All Western aid to Turkey, totaling about \$1.7 billion for this year, is conditional on the IMF arrangement.

Mr. Demirel's minority government took office a week ago with the outside support of two rightist parties and splinter groups.

Mr. Demirel was named to form a government last month, following the resignation of Mr. Ecevit after his party was severely defeated in mid-term elections Oct. 14.

This may open whole new possibilities for evidence of behavior. Prints may turn up anywhere. The main significance is that they are the first prints recorded at a time when our genus existed. And they recorded a behavior pattern we had not expected to find — wading with hippos and birds.

The team was led by Dr. Behrensmeyer, a paleoecologist, and Prof. Leo LaPorte, a geologist. Both are affiliated with the University of California at Santa Cruz. They are participating in a larger research project in Africa directed by Richard Leakey, Mary Leakey's

son, who is the head of the National Museums of Kenya, and Glynn Isaac of the University of California at Berkeley.

The report, released yesterday here and in Kenya, was unusual in that it was made before any report on the findings was published in a scientific journal, a sometimes lengthy process. A two-year grant of \$72,300 to the team from the National Science Foundation will expire in a few months, and the group is preparing to request a renewal.

The prints were found during routine geological studies along the

(Continued on Page 3, Col. 1)

After Bank Robbery Shootout

Suspect in Schleyer Killing Is Arrested in Switzerland

ZURICH, Nov. 19 (UPI) — Swiss police today arrested a West German terrorist suspect, Rolf Wagner, after a bank robbery shootout in which a woman passenger was killed and three persons wounded.

Mr. Wagner, 35, an alleged member of the Red Army Faction, is wanted in West Germany on charges of taking part in the 1977 kidnapping and subsequent murder of Hanns Martin Schleyer, a West German industrialist.

West German police want Mr. Wagner also for bomb attacks in 1976 on a U.S. Army installation in Frankfurt and on a judge in Hamburg.

It was not clear when, how and from where he had come to Switzerland. Mr. Wagner was last heard of when he and three other West Germans were arrested in Yugoslavia on a West German warrant in May, 1978. The Yugoslav government refused to extradite them to West Germany because it was irked by a West German refusal to hand over to Belgrade a group of Croat extremists. The four eventually were released.

Swiss Trial First

While Swiss officials expected the Bonn government to request Mr. Wagner's extradition, they said Swiss law requires that he first be tried in Switzerland and, if convicted, serve any prison term before extradition.

Today, four masked men held up the main office of the Swiss Volksbank, making off with an estimated 300,000 Swiss francs (\$182,000), a police spokesman said.

Police overpowered Mr. Wagner but the other bandits escaped, fleeing in a white Opel sedan that was found abandoned 30 minutes later on the outskirts of town, police said.

In Bonn, the West German Interior Ministry said that it ordered five specialists to Zurich to help Swiss police with their investigation.

Police said that Mr. Wagner, who refused to talk during his initial interrogation, was identified from his fingerprints in cooperation with West German authorities.

India Ex-Official Denies Alleged 1971 CIA Links

NEW DELHI, Nov. 19 (AP) — Former Defense Minister Jagjivan Ram today assailed the party of Charan Singh, the caretaker prime minister, for naming him as having been a possible paid informant of the CIA eight years ago.

"I think my reputation is much stronger than this allegation," said Mr. Ram, 72, leader of India's Untouchables. He said at a news conference here that the slur campaign against him was a result of frustration brought on by Mr. Singh's eroding political position.

The alleged presence of a CIA informer in India, Gaubhara, 1971 Cabinet has emerged as the hottest campaign issue of India's general election campaign. The affair was triggered by an allegation in the U.S.-published book, "The Man Who Kept Secrets," by Thomas Powers.

Mr. Powers did not identify the alleged high-level CIA link but claimed he tipped off Washington about the planned Indian attack on West Pakistan during the Bangladesh war.

Sanjay Gandhi Warned by Court

NEW DELHI, Nov. 19 (AP) — The Supreme Court of India today warned Sanjay Gandhi, the son of the former prime minister, Indira Gandhi, against intimidating prosecution lawyers.

But it turned down a government request to cancel Mr. Gandhi's bail on charges that include the assault of a court policeman and tampering with court records.

Mr. Gandhi is free on bail while he appeals a conviction for ordering the destruction of a film critical of his mother's government in 1975. He was sentenced to two years' hard labor in the case.

Gerontocracy: Other Side of Baby Boom?

Perhaps the most troubling aspect of the world population crisis is the steady increase in the number of elderly people. This second article in a two-part series examines the problems posed by this phenomenon, which, in an alarming extent, are all but ignored by governments obsessed with immediate needs.

By Mary Blume

PARIS (UPI) — Simone de Beauvoir planned it. "As far as old people are concerned, this society is not only guilty but downright criminal."

If there is a problem now, there likely will be a dramatic crisis by the next century. The world's population is aging rapidly.

As birthrates decline and life expectancy increases, worldwide, the number of people 65 or older is expected to grow from 291 million in 1970 to 600 million in the year 2000. Europe will be part of this trend: the number of pensioners will almost double within 50 years.

By the year 2020, the over-65 population in the United States will have almost doubled, to 43 million from 22.4 million in 1976, according to the U.S. Census Bureau. Much of this increase — 9.6 million — will be in the second decade of the next century, when the products of the post-World War II baby boom reach 65.

The expected upheaval has been likened to the tide of immigrants that went to America in the late 19th and early 20th centuries.

There is already widespread concern about how best to cope with this new old generation. W.H. Auden wrote that the elderly are "stowed out of conscience as unpopular luggage," but even that is becoming difficult.

Britain has had an outstanding record but, says the volunteer group Age Concern, "the old are the poorest section of our society." The situation will deteriorate as planned welfare cuts take effect. As more institutions for the elderly are shut to save money, healthy but homeless men and women will be shunted to geriatric wards in hospitals.

In France, efforts to raise the birthrate have led to what amounts to a propaganda campaign against the old. Unless there are more babies, some demographers predict, France will become a domain of the elderly, ungovernable and collapsing under the weight of its lack of productivity.

Another expert, choosing his metaphor with striking parallelism, sums up European population trends in 50 years as "15 coffins to 10 cradles."

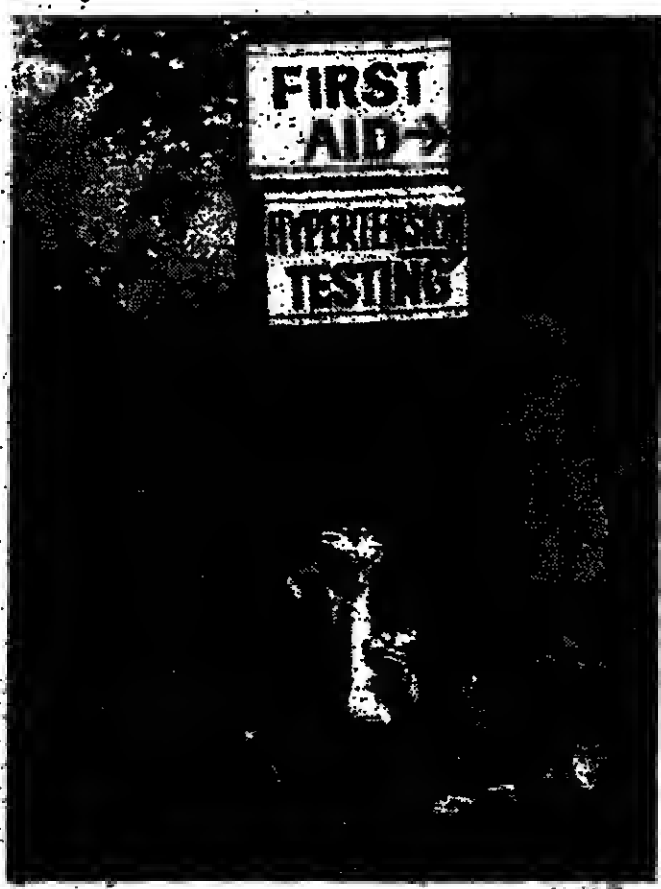
Gerontophobia

"We junk people, just as we junk cars," an anthropologist says. Cynicism and neglect are part of what has been called gerontophobia: fear of the elderly as a warning of what we must all become.

"We will not materially improve our services to the elderly unless we change the value we attach to the old," says Margot Jeffreys, a British sociologist who opposes a popular view that the old are incompetent and invalid.

"The elderly stand outside our acquisitive society because by and large they have lost the ability to acquire," says Tom Arie, a British psychiatrist who specializes in treating the aged. David Hobman of Age Concern adds, "We tend to value people in terms of their productivity. Non-workers are non-people."

For the aged, Ronald Blythe writes in "The View in Winter," it is a struggle to say who they are, not just who and what they have been.



An 80-year-old Chicago resident eats lunch at a senior citizens' picnic. In the last 30 years of this century, the number of persons 80 or older is expected to double worldwide.

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For the aged, Ronald Blythe writes in "The View in Winter," it is a struggle to say who they are, not just who and what they have been.

"The economics of longevity apart," he writes, "the ordinariness of living to be old is too novel a thing at the moment to appreciate. The old have been made to feel that they have been sentenced to life and turned into a matter for public concern. They are the first generation of 'full-timers' and thus the first generation of old people for whom the state, experimentally, grudgingly and uncertainly, is having to make special supportive conditions."

The elderly of tomorrow will offer a special challenge because they will include an unparalleled proportion of persons 80 or older.

In 1970 the world population of people over 80 was 26 million; by the year 2000 it will more than double, to 53 million, most of them living in the industrialized countries.

In Britain the scale of the problem is bigger than in North America, while in America the rate of increase is more rapid," Dr. Arie says. "Although we have more over-80s in Britain right now and the number will increase eightfold by the end of the century, Canada will increase 20-fold by the year 2000."

The strain on social services and pension plans will be great; so will the burden on families as they come to include four and even five generations and 60-year-olds find themselves supporting 85-year-old parents. The implications are horrendous. As French demographer-gerontologist Paul Pallat: Will Japanese families, for example, be able to maintain their traditional support of aged relatives when number of elderly triples by the end of the century?

Not only will the over-80s of the future be more numerous; they will also be very different. Dr. Arie says. As more recent generations reach advanced age, we will probably be healthier because we have been raised as healthier babies. On the other hand we may be less robust: [members of] the earlier group are survivors. Among the hardships that today's elderly have survived: two world wars, the Great Depression, and life without antibiotics and extensive welfare schemes.

"Our expectations of the quality of life will be higher than those of today's elderly because we have been receiving better service all our lives," Dr. Arie says. "It is highly questionable that any society will be able to fulfill these expectations adequately."

Even if neither the quality nor the quantity of response to the needs of the aged has been adequate, great progress has been made in gerontology and geriatric medicine in recent years. Thanks to improved medical care, there are more old people living at home in Britain than there were in 1948. The mean hospital stay of elderly patients has been reduced since 1962 from 40 to 23 days, and one-half of

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Instead of Observer Troops

Patriotic Front Pushes For Peacekeeping Force

LONDON, Nov. 19 (NYT) — The leaders of the Patriotic Front guerrilla alliance called today for a Commonwealth force of several thousand men to enforce a cease-fire in Zimbabwe Rhodesia, instead of an observation force of several hundred as proposed by the British.

Blunt Affair Gets Debate

(Continued from Page 1)

But no official clearance was forthcoming.

Mr. Rubinstein said, with no apparent irony, that Mr. Blunt wanted to be sure that nothing in the statement violated the Official Secrets Act.

"Prof. Blunt is very keen to make this statement," the lawyer said. "He knows that a lot of people want to know what his point of view is on many things that have been said, and he wants an opportunity to be given to the news media to question him."

Mr. Rubinstein denied with some vehemence a series of published reports stating that the 72-year-old former surveyor (curator) of the queen's pictures was angry with Mrs. Thatcher.

"That is absolute nonsense," the lawyer declared. He is not angry with Mrs. Thatcher and has no reason to be so. He is not angry with anyone else, that I know of, although he is regretful.

The Commons debate will range over a number of topics, but it is expected to center on these three questions: Are there any more "Blunts" protected by immunity arrangements of the kind he was given in 1964? Did the queen know of the confession, and if so, why did she keep Mr. Blunt on the Buckingham Palace staff? Why did Mrs. Thatcher authorize Mr. Armstrong to tip off the confessed spy?

Mrs. Thatcher's decision to hold the debate was forced upon her by demands from both sides of the house at the weekend. The speaker, George Thomas, had indicated that he might schedule it whether the government decided to sponsor it or not, and the prime minister is anxious to avoid any impression that she was either involved in or condones what is being described here as a cover-up.

Amateur Aviator Killed
KRUGERSDORP, South Africa, Nov. 19 (Reuters) — Do-it-yourself aviator Herbert Engler, 36, took off yesterday in his homemade wood and canvas aircraft and died seconds later when the machine plunged to the ground.

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A young Cambodian refugee sits by the blanket-draped body of her dead mother yesterday on the Thai-Cambodian border. Just before they were to be evacuated, the woman died.

Flights Added to Cambodia Relief Effort

BANGKOK, Nov. 19 (Reuters) — The International Red Cross and the UN Children's Fund announced today that food and other supplies delivered to Phnom Penh by air would increase nearly seven-fold with additional flights now scheduled.

A transport plane on loan from France and a DC-10 chartered by the Dutch government will start flying supplies to the Cambodian capital this week. Red Cross officials said. A British Hercules C-130 has been carrying 15 tons a day to Phnom Penh for a month, the groups said. The three aircraft will be able to deliver about 100 tons a day.

The first international aid ship, from Britain's Oxfam charity, was due to arrive in Phnom Penh with 1,100 tons of supplies. The Oxfam barge is the first Western vessel to sail up the Mekong River

since the Communist takeover in southern Vietnam in 1975.

On the border between Thailand and Cambodia, meanwhile, Thai authorities have been ordered to prepare contingency plans for evacuating civilians and officials if the tense border situation demands it, the Thai radio reported today.

Earlier today, Thai Premier Kriangsak Chavanana said there had been several recent incursions into Thailand by forces believed to belong to the Vietnamese-backed Phnom Penh administration. Gen. Kriangsak gave no details but said he did not know whether the incursions were deliberate or accidental, suggesting that the Phnom Penh forces might not have known the border's exact location.

Key to 12-Year Dictatorship

Togo Leader's Personality Cult Pervasive

By Stephen Powell

LOME, Togo, Nov. 19 (Reuters) — In the office of Togo's minister of information there is a picture of the president, Gen. Gnassingbe Eyadema. Standard practice, of course.

But what strikes the visitor is that the president is wearing the wings of an angel.

Seldom is the personality of a head of state so forcefully projected as in this small West African country.

Many Togolese wear small lapel badges bearing a portrait of the 44-year-old, boyish-looking president. Billboards all over the capital extol the president: "Thank you Eyadema for the year of the peasant" and "Agriculture, the biggest worry of our day."

In Togo's one daily newspaper, Togo-Press, Gen. Eyadema is habitually referred to as either the well-loved guide, the national hero, the father of the nation.

The Togolese leader is one of the great survivors in the difficult world of African politics.

In January, 1963, he led the first military coup in independent black Africa and overthrew President Sylvanus Olympio. He assumed power in 1967 in a second coup against Olympio's successor, President Nicolas Grunzisky. Following the takeover, he dissolved Parliament, abolished the constitution and has ruled by decree ever since.

But there are hints that change might come soon to Lome. Military government, once the norm in this part of the world, has recently been going out of style. In both Nigeria and Ghana the military have handed over power to civilian governments.

Even in Marxist Benin (formerly Dahomey) on Togo's eastern border, the military government has organized a general election that is scheduled for tomorrow. It will be the first in the country's history.

Gen. Eyadema announced in August that it was necessary for the government to emerge from its exceptional situation.

A special congress of Togo's only political party, the Togolese People's Rally, is due to be held from Nov. 27 to 29. This is expected to discuss a wide range of proposals, being drawn up by six commissions.

There is speculation here that the government might decide to hold a referendum on a constitution and then arrange an election.

Togo's national assembly, a white-washed building near Lome's

sandy beach, has a rather forlorn and neglected air. Parliamentary archives are stacked in piles on the floor, and the paint is peeling of the walls. The building does house some offices, including the Eyadema Foundation, a government-run political institute.

The government argues that it has given the country stability and the country's economy is certainly in a better state than those of Ghana and Benin.

But government overspending in Togo on projects like luxury hotels has brought financial problems.

The external debt has climbed rapidly in the last two years and it is now in the region of \$1 billion, a formidable sum for a country of 2.5 million people. The country's problems have been compounded by falling prices for phosphates, its main export.

Power in Togo is firmly in the hands of the Northmen, Gen. Eyadema is from the North and so are most of the army officers.

According to some Southern Togolese, who feel excluded from the machinery of government, their situation has worsened in recent years. Many have simply left the country.

Inside Togo there is no open criticism of Gen. Eyadema. In Europe, human rights organizations have

accused the Togolese government of imprisoning, kidnapping or trying to murder political opponents.

Last month, a son of the assassinated President Sylvanus Olympio was the target of an unsuccessful bomb attack in Paris.

Glitchrist Olympio charged Gen. Eyadema with trying to murder him, but the Togolese government denied this.

A Western diplomat in Lome said: "It was fortunate for Togo that you had Idi Amin in Uganda, Bokassa in the Central African Empire and Francisco Macias Nguema in Equatorial Guinea. Now that this layer has been scraped off there could well be more scrutiny of the government here."

Growing Ranks of Elderly May Bring Gerontocracy

(Continued from Page 1)

Britain's medical schools now offer courses in geriatric medicine.

While one-half of the patients in British psychiatric hospitals are elderly, only about 12 percent of those admitted remain for permanent care. Even with chronic physical and psychological illness much can be done to slow deterioration and preserve one's abilities.

On the diagnostic side there are frequent puzzles, such as the elderly problem that was obliging an elderly American to leave his home and family in the Northeast and move to Florida. The problem was found to be not orthopedic but the result of having to serve as pallbearer at 17 funerals of close friends and relatives in less than two years.

The man's reaction was to withdraw physically from a situation with which he felt he could not cope.

Elderly patients may be wrongly diagnosed as suffering from mental illness when in fact they have diabetes or a potassium deficiency. Clinicians may ignore depression but depression is easily treated and is a major cause of suicide among the elderly.

"Suicide rates increase with age, which is something the public is unaware of," Dr. Arie says. "Also the first attempt, so-called, is often the last one."

The highest rate of suicides among elderly men occurs within five years of retirement. While the French still favor early retirement, other countries are raising the mandatory retirement age (in the United States it is now 70 for most private employees) and are offering financial incentives to older employees to remain on the job. While the physical and psychological benefits of being able to work are enormous, the change of attitude is less the result of a wish to gratify the elderly than of wanting more people to contribute actively to the economy, thus causing less drain on pension funds.

However, as David Hobman of Age Concern points out, enlightened self-interest has always been the most powerful force for social

change. The elderly have learned to appeal to the self-interest of politicians by forming pressure groups and potential voting blocs. This is one area in which the United States leads, with activist groups including the National Association of Retired Persons, the Gray Panthers and the National Council of Senior Citizens, whose members not long ago picketed the Department of Housing and Urban Development in Washington.

After so many years of docility, the new independence of the aged has raised some fears. Alfred Savvy, a French demographer, argues that a society with a greater proportion of elderly people will be less creative and highly conservative. Britain, he warns, was in his late 80s when he led Vichy France in the 1940s who fought for better pensions in the United States) conservative?

The states of Mr. Savvy (who does not mention that Clemenceau

Chinese Official Tells of Program To Curb Population Growth Rate

PEKING, Nov. 19 (AP) — Noting that rapid population growth hinders China's economic development, Vice Premier Chen Muhua says that the government expects "to bring the growth to a standstill by the year 2000."

"This is a Herculean task" but can be accomplished if "we energetically encourage each couple to have only one child," the vice premier said in an article in the magazine Peking Review, released today.

The goal for 1985, she said, is a population growth rate of 0.5 percent. The present rate is 1.2 percent, she reported; other sources have estimated the rate to be 1.5 percent to 2 percent.

About 30 percent of the births are to families with two or more children, Mrs. Chen reported. "We expect that by 1985 no one will have a third child, which means there will be 5 million babies fewer every year and a drop in the population growth rate to 7 per thousand or less," she said. "If more parents have only one child, then by 1985 the rate will fall to about 5 per thousand."

Mrs. Chen said the increase in population is having an appreciable effect on the availability of jobs and on living standards. "At present, our textile and other light industries are not in a position to meet people's needs, an indication of our failure to produce enough as well as of the effect of the population increase," she said.

She outlined five ways to tackle the problem: putting family planning on the agenda of Communist Party committees and local governments; more education in late marriages and family planning; laws to reward parents of small families and penalize those of large ones; free contraceptives and medical assistance; and establishment of family planning offices.

Must Be Ready for Israel's 1982 Sinai Pullout

U.S. Crews Building Air Bases in Negev

By David K. Shipler

IN THE NEGEV, Israel (NYT) — U.S. engineers and construction crews, with laborers from Portugal and Thailand, have arrived in the heart of the Negev to begin building two air bases to replace military fields Israel is giving up as it withdraws from the Sinai under the peace treaty with Egypt.

On a high and arid plateau, 30 miles south of Beersheba, shiny U.S.-made bulldozers, trucks and scrapers with tires as tall as a two-story house roar back and forth across the dusty sands, so dwarfed by the vast wilderness of the desert that they look like toys.

On a ridge stood Lt. Col. Jack Clifton of the U.S. Army Corps of Engineers, watching the machines in the distance chew away at a little hill that must be removed from the end of a runway of what is to be the Ramon air base.

"I try to keep smiling," Col. Clifton said. He is determined not to get ulcers, and when he ends work each day, he says, he really quits and relaxes.

The colonel is impressed by the relatively short time allotted for this job. An air base normally takes three to four years to design and another three or four to build, but this, and another in the desert to the east, must be able to accommodate fighter planes by April 25, 1982, the date of Israel's final pullout from the Sinai and return to the border that existed before the 1967 war.

The withdrawal means more than just the loss of two good air bases, Etzion and Ezyon, and four or five temporary airfields. It also means the loss of airspace for training in a country that is small and severely constricted. The Sinai, with clear weather most of the year and without much international air traffic, has been an ideal practice ground, military men say.

To compensate Israel for the loss, the United States agreed to pay \$800 million of the approximately \$1 billion that the two new fields are expected to cost, and to do the construction with U.S. contractors and foreign labor to avoid draining off thousands of skilled Israelis in a labor-short economy that has other civilian and military construction needs.

The Israelis are building a third airfield, nearer Beersheba, and may be allowed to work in small numbers at the other fields if officials agree. But the bulk of the work is supervised by Americans. The U.S. Air Force is the project manager and the Corps of Engineers provides technical expertise.

The private contractors, Air Base Constructors in the case of Ramon and a consortium led by the Pezini Corp. of Framingham, Mass., at the other base, are subordinate to the corps.

A year from now, Col. Clifton said, the Ramon site will have 2,500 Portuguese and 300 Americans. British middle-management personnel are also expected.

The officers who have come here regard it as a distinguished assignment. Col. Clifton gave up command of a battalion in the state of Washington to take it. Capt. Glenn Lloyd Jr., of Milford, Conn., left his wife and two children, with a third on the way, to come here.

"This is where it's at," he said. "One of the hardest decisions I had to make was to leave my family for a year, but this is the best thing going in the Army today in construction. This is what it's all about."

"It's like a disease," said George MacDonald, a foreman who has built a dam in Pakistan, bases in Vietnam and other installations throughout the Middle East. "Just the way you have to leave New York and go to Arizona or Oregon, you have to come here."

The Americans come with their well-scrubbed, clean-cut, cradled posture they have carried with them in many parts of the world, and there is a certain feeling that they could be anywhere, that it would not matter if they were on the moon or in the jungles. They would set up, prefabricated air-conditioned buildings, commissaries and post exchanges with scotch, gin and bourbon for a few dollars a bottle, and get to work.

Col. Clifton is the paradigm of such a man. Square-jawed, clear-eyed, deeply tanned, he looks as if he could have been picked by central casting to play an officer at war in the desert. He has no patience with the Israeli archaeologists who are frantically excavating the ruins of 5,000-year-old civilizations before the bulldozers arrive.

He barely conceals his disdain for the Israeli Air Force, which he thinks is moving too slowly and inefficiently with certain design tasks. But the colonel smiles all the time, and no one who meets him can doubt he will get the job done.

U.S. Warns on Spy Trials Of Hostages Held in Iran

(Continued from Page 1)

Iran's de facto head of state, who warned that some hostages may be tried as spies unless Mohammed Reza Pahlavi, the deposed shah, is surrendered to Iran. The shah is undergoing medical treatment in New York and the United States has refused to return him to Iran to stand trial.

Meanwhile, Oil Minister Ali Akbar Moftari said that Iran "has not and will not reduce its oil production" after the cutoff of oil exports to U.S. companies, the Iranian news agency reported.

He said the cutoff had not led to reduced oil revenues "but has actu-

ally increased them. Therefore there was no need to keep up the same level of oil production as before." He apparently was referring to an offer by Iran to increase sales of oil to Japan at a premium price of \$32 a barrel, but he did not elaborate.

In Washington, the Treasury Department estimated that the Iranian assets frozen last week by President Carter amounted to more than \$8 billion, rather than \$5 billion to \$6 billion as previously reported.

Tonight, a chartered Swissair DC-8 airliner was waiting at the Tehran airport to collect the second group of hostages, who were among 62 U.S. citizens taken captive by the Iranian students Nov. 4.

The hostages already freed were Kathy Gross, 22, of Cambridge Springs, Pa., an embassy secretary, and two black Marine sergeants, Leland Maples, 23, of Earle, Ark., and William Quarles, 23, of Washington.

U.S. military sources in Frankfurt said that all freed hostages would undergo military debriefing and medical examinations in West Germany before returning to the United States.

Ayatollah Khomeini ordered the students to release black and women hostages not suspected of spying, saying that all of the world's blacks are oppressed and that Islam grants special rights to women.

Embassy officials said that the students were still holding a black man and two women, including Katherine Koob, who was identified as the director of the Iranian-American Society in Tehran. That statement was not disputed by the students.

Rhodesian Force Destroys Bridges Deep in Zambia

LUSAKA, Zambia, Nov. 19 (AP) — Zimbabwe Rhodesian commandos struck deep inside neighboring Zambia for the second straight day today, destroying at least three bridges in a series of attacks on the transportation network of this landlocked nation, authorities said.

President Kenneth Kaunda blamed "rebel Rhodesian forces" and "fascist forces" for the raids and said they had attacked a number of bridges linking Zambia with Tanzania to the north and Mozambique to the east.

One commando and three Zambian soldiers reportedly were killed in fighting at a vital bridge over the Chongwe River, 37 miles east of the capital. The commandos destroyed the bridge, which links Zambia with Malawi and Mozambique.

Patriotic Front guerrilla forces, who have been fighting the Rhodesian government for seven years, operate from bases in Zambia and Mozambique.

Zambian authorities escorted Western correspondents 75 miles south of Lusaka to inspect the remains of the Kaleywa Road bridge, which was destroyed early yesterday. Two bridges near Kafunsa, 150 miles east of the capital, were lightly damaged in raids yesterday.

Police Increase Suarez Guard as Francoists Rally

MADRID, Nov. 19 (UPI) — The government said today that security at Premier Adolfo Suarez's working residence in Madrid was increased yesterday after reports of a planned attack by rightists on the premier.

Joseph Melia, secretary of state for information, said that police reinforcements were ordered to Moncloa Palace. The move coincided with a rally by 400,000 Francoists here to commemorate the deaths on Nov. 20 of Gen. Francisco Franco four years ago and of Jose Antonio Primo de Rivera, the founder of the Spanish Falange, who was shot to death in 1936.

The rally, said by the police to be the largest since Franco's death, was marked this year by attacks on the "chaotic" situation of Spain and its "disembowelment" because of home-rule statutes for the Basque provinces and Catalonia.

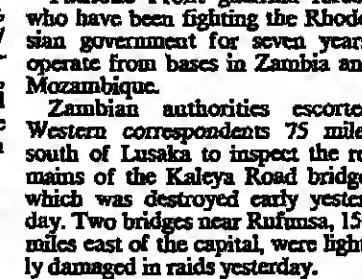
The threats against Mr. Suarez came exactly a year after police uncovered a rightist plot to storm the Moncloa and take Mr. Suarez hostage. Two suspected plotters were arrested — a captain in the national police and a lieutenant colonel in the civil guard — and are awaiting trial on charges of incitement to military rebellion.

Japan to Put Troops Back on Iwo Jima

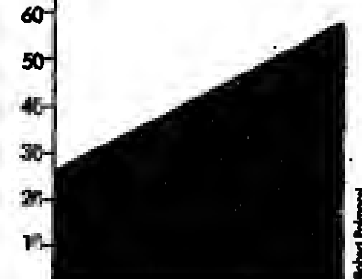
TOKYO, Nov. 19 (Reuters) — The Japanese Defense Agency said today that it plans to use the Pacific island of Iwo Jima, scene of one of the fiercest battles of World War II, as a training site.

A spokesman said the agency was seeking 300 million yen (\$1.2 billion) to improve facilities on the island. Sources at the defense agency said authorities wanted to use the island as a base for anti-submarine exercises.

People Over 65 (millions)



People Over 80 (millions)



was 76 when he became premier of France in 1917) is contested by the Lincoln Day, a U.S. demographer, who asks, "Were Hitler's youthful storm troops progressive? Were the aged Townsendites of the 1930s who fought for better pensions in the United States) conservative?"

Public opinion polls in the United States, Mr. Day adds, showed that more older than younger women were in favor of removing legal restrictions on abortion.

"I don't think," Mr. Hobman says, "that radicalism is the prerogative of the young."

The fact that the elderly are becoming less dependent has also raised fears that society will be built by their relative power. The American Association for the Advancement of Science even sponsored a symposium on whether the United States will become a "gerontocracy" in the 21st century.

"I don't like to see any one generation take over," Mr. Hobman says. "But it wouldn't be bad for the old to have a place in the sun."

As the elderly emerge from the gray gloom to which they have been consigned, as they become healthier and more active, it is increasingly clear that the problem of the aged is not with aged themselves. "Many, if not most, of the problems we associate with older people may lie in our institutional arrangements, not in older people," says a U.S. gerontologist. The problem, Ronald Blythe writes, is not with the elderly but with the rest of society, which has not taken a realistic look at the aged.

The situation cannot change without a re-examination of attitudes, Mr. Blythe says. "It is [the rest of society] who are hopelessly involved in the gerontological situation and who, subsequently, will be wanting geriatric assistance, not 'them.' Until society says 'we are them,' things will remain very much as they are."

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Defends Chappaquiddick Actions

Kennedy Asserts Ability To Work Under Pressure

By B. Drummond-Ayres Jr.

WASHINGTON, Nov. 19 (NYT) — Sen. Edward Kennedy, D-Mass., asserted yesterday that he had always acted responsibly under pressure, and that, in addition to his long, in-depth involvement in government, this made him uniquely qualified to be president.

Seeking to dispel assertions that he had panicked under pressure, especially during the 1969 Chappaquiddick incident, Sen. Kennedy declared in a nationally broadcast television interview that he would not have challenged President Carter for the presidency unless he was satisfied that he could deal with his duties presidentially.

series of tragedies. I have lost my brothers under the most trying and tragic circumstances. I have also faced the illness and sickness of a child that has been impacted by my life, and I have responded to those challenges by one, acting responsibly and, two, by the continuing commitment that I have to public service.

Sen. Kennedy argued that his 17 years as a senator and politician close to the pinnacle of power had prepared him for service in the Oval Office.

"I know the presidency," he said. "I have had a unique experience and opportunity in the course of my life to be exposed both to the pressures and to the responsibilities, as well as the opportunities. I would not run for that office did I not believe that I could be an effective president and would not run for that office unless I was completely satisfied I could deal with any of the pressures that would come with that position."

Nothing New

The senator said that he wished he had new information to offer to substantiate his earlier testimony about Chappaquiddick. But he had none, he continued, and he asserted that none would be forthcoming.

When asked if he might be willing to take a lie detector test to dispel the Chappaquiddick issue, he replied: "I have responded fully, candidly, honestly as to the facts. Lie detector tests are not accepted in the courts of law. We saw a priest in Delaware who failed to take one, and another person came in and admitted to the facts. I have testified fully and completely and I will continue to respond to questions."

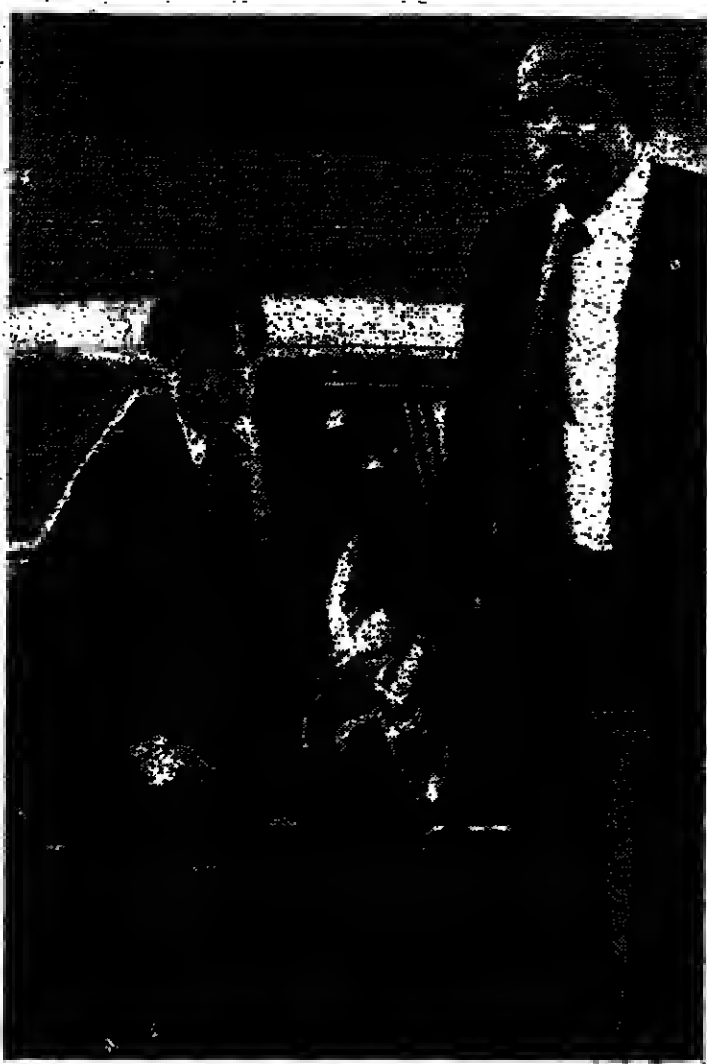
After the television interview, Sen. Kennedy returned to his home in nearby McLean, Va., where he held a private luncheon for officials of the AFL-CIO, which is holding its biennial convention in Washington. A second meeting with labor leaders, who already have met with President Carter, was scheduled for today.

Meanwhile, in another television interview, former Gov. John Connally of Texas, a Republican candidate for president, asserted that he had won a "significant victory" in Florida on Saturday by holding former Gov. Ronald Reagan of California to a 10-point lead in a straw vote of delegates attending a Republican convention in Orlando.

"We showed," Mr. Connally said, "that in a relatively short period of time we could go from nothing to building an effective organization to compete with Gov. Reagan, who had been campaigning for the presidency for six years in an intensive fashion."

Mr. Connally said he had not written off Jewish support, despite an adverse reaction by many Jews in the United States to his proposals for peace in the Middle East. Mr. Connally has suggested that Israel withdraw almost totally from Arab territory and that a Palestinian state be created.

"More and more Jewish leaders are coming to understand the validity of the position that I took," he said. "They are beginning to read what I said and understand what I said."



A Secret Service agent opens the car door for Sen. Edward Kennedy as he arrives at a television studio in Washington.

Study Finds Confinement Effective on Delinquents

By Laura A. Kierman

WASHINGTON, Nov. 19 (WP) — Hard-core juvenile delinquents commit fewer crimes after confinement, whether in a group home or a traditional reformatory, and the tougher the restrictions on their behavior, the greater the decrease in crime, a new study has found.

The study, which challenges a popular theory that institutionalization does not work for serious juvenile offenders, has caused a furor among some juvenile justice specialists, who are critical of the study's methods and fear that it will be used to put more delinquents in jail.

"If it's accurate that incarceration has this kind of impact, then that could have major policy implications," said Andrew Gordon, an associate professor at the Center for Urban Affairs at Northwestern University, who reviewed the study's early findings and disagreed with them.

The study, conducted by the American Institutes for Research, is based on a sample of about 600 chronic juvenile offenders in the Chicago area between October, 1974, and July, 1976. The youths were either confined to one of the state's seven traditional juvenile institutions or placed in one of five programs designed as alternatives to incarceration for serious juvenile offenders.

The study compared the youths' annual arrest rates before and after confinement. Chronic delinquents who were committed to the traditional institutions showed a 68-percent drop in arrest rates; those placed in the five types of treatment programs showed an overall 59-percent decrease.

But the arrest rates dropped more as the programs got more restrictive and as the youth was taken farther from his or her normal environment, according to Charles Murray, chief scientist at the American Institutes' Washington office.

The researchers speculated that part of the success of the less-restrictive programs could be attributed to the threat that the youth would be sent to a traditional institution if he or she did not change his ways, Mr. Murray said.

The youths in those programs knew that their status as offenders had gone beyond probation or supervision — and they knew that the "criminal justice system was no longer bluffing."

The study, called "Beyond Probation," which is to be released in book form later this month, clearly reveals the disagreements that have preceded its publication. The text is written in a highly defensive tone and the researchers address each technical argument that critics have used to dispute their findings.

"Many social work and treatment professionals have always said institutions are inhumane settings," said Betsy Reveal, executive director of the District of Columbia's Office of Criminal Justice Plans and Analysis.

Objections to the institute's findings, Mrs. Reveal said, are "coming from treatment professionals unwilling or unable to accept empirical evidence that quick, harsh treatment may be better for hard-core delinquents" than less-restrictive alternatives.

Reagan Shows Vigor, But His Aptitude Is Questioned

By Lou Cannon

LOS ANGELES, Nov. 19 (WP) — In his first long campaign trip around the country, Ronald Reagan answered a critical question about his candidacy while raising new doubts about his capacity to serve as president.

On a grueling, five-day, nine-state trip that ended in Los Angeles late Saturday, Mr. Reagan, 68, showed a vitality equal to any of his younger challengers for the Republican presidential nomination.

The trip was designed to show that Mr. Reagan, a former governor of California, is more youthful than his years would indicate, and it largely accomplished this purpose. He finished stronger than he began, with effective speeches to the Florida Republican convention and to a friendly crowd in Cedar Rapids, Iowa, where the candidate still is remembered from the 1930s as sportscaster "Dutch" Reagan.

But the critics who have claimed, as long ago as Mr. Reagan's first presidential campaign in 1968, that he does not know enough to be president had new ammunition for their argument last week.

At a New York press conference Mr. Reagan appeared unaware that the city is receiving loan guarantees from the federal government with considerable strings attached. His ignorance was all the more remarkable because aides said he had been briefed on the issue, which invariably arises whenever an out-of-town politician holds a press conference in New York.

A day later, in Grand Rapids, Mich., Mr. Reagan said that he opposed pending legislation to provide similar loan guarantees to the Chrysler Corp. He said that there were other things that could be done to help the ailing automobile company, but he did not appear to have a clue as to what the other things were.

Returning home to California in his chartered campaign plane, Mr. Reagan expressed satisfaction with much of the first week's efforts but acknowledged that he had not answered either question very well.

"What I should have pointed out is that the system [of aid to New York] is in place, and it's working," Mr. Reagan said. "There's going to be no loss to the taxpayers on this one. I should have said that."

The Chrysler question, he said, is a "hard and complicated one" that he now believed can be addressed by reorganizing the company. His aides advisers gave a similar analysis in considerably more detail in explaining to reporters what Mr. Reagan meant to say in Grand Rapids.

Mr. Reagan's vulnerability on issues that he outside his basic speech may be all the greater because of the front-runner status he enjoys within the Republican Party. Like Sen. Edward Kennedy, D-Mass., among the Democrats, Mr. Reagan is surrounded by an entourage of press, staff and Secret Service agents. Like Sen. Kennedy, he comes under the microscopic scrutiny of a presumed presidential nominee.

Encourages Scrutiny

Last week, Mr. Reagan encouraged that scrutiny by giving on-plane interviews to almost everyone who asked. He made 10 speeches, held two press conferences, and met privately with key supporters at every stop.

Mr. Reagan's activity reflected an attempt to deflect the age issue and a belief that he cannot just sit on his laurels. If Mr. Reagan has any advantage over past front-runners, it is in his recognition that leadership in the polls can be exceptionally transitory.

"When you're out in front, the death watch begins earlier," Mr. Reagan said. "And it's true that

you're kind of conspicuous out there. Almost anything that would be a momentary stubbed toe is going to be given much more importance. So I think you have the feeling of being very much on guard."

The guardedness showed early in the week in the tentative quality with which Mr. Reagan delivered some of his statistics-laden speeches. On several occasions, he flubbed lines that he normally delivers with a polished flair. But in his two gubernatorial campaigns, and again in 1976, Mr. Reagan had trouble hitting his oratorical stride in the early going, and his managers have history on their side when they predict that he will improve.

Roosevelt Phrase

History is also on the side of Mr. Reagan's basic campaign message, which speaks of the future in accents of the past. "We have a rendezvous with destiny," Mr. Reagan said in his announcement of candidacy last Tuesday, using words that stirred millions of Americans when

they came from the lips of Franklin D. Roosevelt two generations ago. Except for his call for Puerto Rican statehood and his proposal for a North American accord between the United States, Canada and Mexico, Mr. Reagan's message in his first week of campaigning was a familiar one, and the candidate acknowledged without apology that this was all right with him.

"Isn't it a little bit like a minister?" Mr. Reagan said. "You could say he's saying the same old line — he's got a different sermon every Sunday but his theme is one and the same. My theme, as far back as I can remember, was a warning. . . . The theme is that we continue to centralize authority, we continue with the government growing bigger — and every time we do we're losing freedom."

If this is Mr. Reagan's oldest message, it is also the one that he considers best suited to the mood of 1980. Republican audiences on the campaign trail can expect to be hearing it many more times in the months to come.

Chile Probes Origin of Unmarked Graves

By Juan de Onis

SANTIAGO, Nov. 19 (NYT) — A civil judge has opened an investigation to determine the origin of hundreds of unmarked graves in the main cemetery here. Roman Catholic bishops say the victims of political executions are buried in the cemetery.

Earlier investigations of mass burials after the armed forces overthrew the late President Salvador Allende in 1973 have identified the national police or army troops as the killers of at least 15 persons at Lonquén, 25 miles south of here, and 18 persons at Yumbel, in the south.

The number of bodies in the graves in the cemetery here is not known because several people are reportedly buried in each grave. The graves are marked only with a white cross bearing the letters "NN," meaning identity unknown.

The investigation by Humberto Espejo, a judge of the court of appeals at San Miguel, a suburb of Santiago, began after Monsignor Ignacio Ortúzar, vicar general of the archdiocese of Santiago, presented testimony by relatives of missing persons pointing to the graves as secret burial places. The judge visited the cemetery Saturday.

The Vicariate of Solidarity, the legal-aid arm of the archdiocese, said that some of the bodies in the 320 graves may be of peasants and railroad workers who were arrested and taken to the infantry school at San Bernardo, just south of Santiago, in September and October, 1973, and have been missing since.

Human rights organizations have charged that in the weeks that followed the overthrow of the leftist government of Allende, military ex-comrades of labor activists, students, political supporters of the Allende regime and several Roman Catholic priests active in social work took place in many parts of Chile.

Subsequently, the secret police organization known as the National Intelligence Directorate established a national network of repression, including secret places of detention, where many people were tortured and executed, according to survivors.

The Roman Catholic Church has been pressing the government of President Augusto Pinochet to clarify all cases of missing persons. The government has promised many times to conduct investigations, but has not accepted specific responsibility for the executions.

The civil courts, acting on petitions presented by the relatives of missing people and the Vicariate of Solidarity, have established official responsibility in the cases of the bodies at Lonquén and Yumbel. But the national policemen identified as the killers of the victims found in an abandoned lime kiln at Lonquén were freed under an amnesty law that covers all political crimes between September, 1973, and March, 1978.

Korea Fishermen Saved

SEOUL, Nov. 19 (AP) — The U.S. Air Force rescued 18 South Korean fishermen from the East China Sea, the Air Force reported.

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Egypt Names Envoy To Fill Moscow Post

CAIRO, Nov. 19 (UPI) — Egypt has decided to send an ambassador to Moscow to fill a post vacant for almost two years.

The Middle East News Agency said the ambassador is Samih Awwar, who was Egypt's envoy in London. The agency said Soviet Ambassador Vladimir Polakov called on Bureau Ghali, state minister for foreign affairs, yesterday to notify him that Russia has approved Mr. Awwar's nomination.

Pakistan To Get UN Food

ISLAMABAD, Pakistan, Nov. 19 (Reuters) — Pakistan is to get food aid worth \$5.4 million from the United Nations World Food Program under an agreement signed yesterday.



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In Meetings With Carter Aides

U.S. Labor Blunts Efforts to Tighten Jobless Benefits

By Edward Cowan

WASHINGTON, Nov. 19 (NYT) — Organized labor appears to have gained the upper hand in two politically significant battles with most of President Carter's economic advisers over cash benefits for the unemployed.

Both struggles have been raging backstage, both in the secret negotiations that led to the so-called national accord Sept. 28 between labor and the White House and in subsequent letters, memorandums and telephone calls.

In both instances, the AFL-CIO

has blunted efforts by the Office of Management and Budget to hold down spending for the benefits.

One issue involves the availability of extended payments to the long-term unemployed. The other concerns the administration's desire to tighten a pending bill that would widen the availability of federal benefits to workers who lose their jobs because of competition from imports.

Lane Kirkland, who was elected president of the AFL-CIO today, as secretary-treasurer of the labor federation extracted concessions from

the administration on both matters during the negotiation of the accord. That document promised labor a more visible role in the policy process and a considerable voice in revising Mr. Carter's voluntary pay restraint standard.

Budget officials have been pressing the Labor Department for more than a year to make a major change in the formula that determines when workers who exhaust their normal unemployment benefits — 26 weeks, in most states — can draw extended benefits, usually for another 13 weeks.

The budget officials calculated that the change would save \$700 million this year and \$750 million next year. Mr. Kirkland, in an Oct. 22 memorandum to the administration, opposed the change. It "would work tremendous hardship on literally millions of long-term unemployed workers," he wrote.

Changes Unlikely
Mr. Kirkland has the support of Secretary of Labor Ray Marshall and Stuart Eizenstat, the president's domestic policy chief. "With the accord and a recession going on, it's unlikely we'll be making any changes," said a White House official. The Treasury and the Council of Economic Advisors have been supporting the budget office.

On June 15, Mr. Marshall's de-

partment published a notice that it contemplated making the change in the formula that the secretary now opposes. He can prevail by doing nothing more.

To compel him to issue a final regulation, the budget office had planned to send a memorandum to Mr. Carter. But with the tide running against the budget office, officials said, the matter will probably be shown to the president with other spending issues involving the Labor Department next month in the final stages of writing the 1981 budget.

Extended Benefits

The specific issue involves a proposed change in the ratio of unemployed persons collecting benefits to the total number of insured workers. When a state's ratio exceeds 4 percent, workers who have exhausted the regular benefits can draw extended benefits; when the ratio falls below 4 percent, no new awards of extended benefits can be made.

Under the regulations as of now, the numerator — the number of persons receiving benefits — includes persons on extended benefits as well as those on regular benefits. The proposed change would exclude those on extended benefits. The implication is that during an economic recovery, the availability of extended benefits would stop earlier.

Budget officials concede that the administration's stand on several parts of the trade adjustment assistance bill has been softened to accommodate labor. Still outstanding is what Mr. Marshall and John White, the deputy budget director, portrayed to Congress as an issue of principle — when to make assistance available to laid-off employees of secondary suppliers.

Secondary suppliers are companies that sell components to perform services, such as galvanizing or tanning, for concerns deemed to have been hurt by imports. The budget office and Labor Department assert that to qualify, the secondary suppliers should sell half their output to import-affected companies. But neither the bill passed by the House nor the Senate Finance Committee measure contains such a test.

Whites Lacking For Los Angeles Desegregation

LOS ANGELES, Nov. 19 — A court-ordered computer study indicates that there are not enough white students left in Los Angeles city schools to achieve a significant increase in desegregation, no matter what techniques are employed, the Los Angeles Times reported.

Mandatory busing will achieve more desegregation than voluntary plans, the researchers found, but rapidly declining white enrollment (now 27 percent) sharply limits the capacity of any plan for additional desegregation.

Superior Court Judge Paul Egly, who is overseeing desegregation of the Los Angeles schools under a 1976 California Supreme Court mandate, commissioned the research firm of Hamilton, Rabinovitz & Szanton, Inc., to do the study, which took four months and cost \$225,000.

The findings tend to support part of the position taken by the board of education in hearings now under way before Judge Egly, that expanding the present mandatory busing plan would lead to little additional desegregation. However, they do not support the board's claims that voluntary desegregation methods would be more effective than mandatory busing.



BARRELING — Up and over four trash cans in New York's Washington Square goes James Kovic to show off his skateboarding ability. Kovic, when not jumping, is a student.

During Talks in London

Thatcher Prods Giscard on EEC Budget

By Joseph Collins

LONDON, Nov. 19 (NYT) — President Valéry Giscard d'Estaing of France today heard directly from Prime Minister Margaret Thatcher a demand that Britain's budgetary contribution to the European Economic Community be revised downward.

According to a British spokesman after the meeting, Mrs. Thatcher said during a "frank exchange" that "we require a solution as Dublin." This referred to the meeting of the heads of the nine member nations of the European Economic Community, scheduled in the Irish capital at the end of this month.

Mr. Giscard d'Estaing, who is in London for a two-day visit, spoke with the prime minister at 10 Downing St. According to her spokesman, the president was left in no doubt about the importance of this issue to the British government. Nevertheless, no revised budget figures were discussed, the spokesman said.

Britain, under the present system, will be paying more than \$2 billion into the community's coffers next

year. This is 70 percent more than West Germany will be called on to pay despite West Germany's being twice as rich as Britain.

No Shift Detected

Mr. Giscard d'Estaing held to the French position, the spokesman said, that the budget is an EEC problem and one that cannot be resolved by France and Britain alone. The British spokesman said that no shift in the French position toward Mrs. Thatcher's demands had been detected.

Another difference that remained unbridged after the 40-minute discussion between the president and the prime minister and their respective foreign ministers and finance ministers was the exclusion by

France of British lamb and beef. Before the British and French leaders and their ministers met, Mr. Giscard d'Estaing and Mrs. Thatcher had a 90-minute private session. They were scheduled to meet again tomorrow.

Today's session dealt with wider problems, including East-West relations, the Middle East, energy, and the Common Market deal, in which, in French eyes, oil and reserves. The French president told the spokesman said, that Britain did not originate the constant oil price increases, but simply followed the market.

MacBride Says Press Panel Will Back Free Expression

By Paul Chutkan

PARIS, Nov. 19 (AP) — A UNESCO-created commission on global communications and international news opened its final two-week session today after its chairman offered assurances that its final report will be "favorable to freedom of expression."

The 16-member International Commission for the Study of Communications Problems, after two years of seminars, testimony and internal debate, began reviewing a draft of its comprehensive report, which is to be submitted to UNESCO Director-General Amadou Mahtar M'bow by Nov. 30.

The report, along with a set of recommendations, is expected to become the major subject of debate at next fall's general conference of UNESCO, the UN Educational, Scientific and Cultural Organization.

The commission chairman, Sean MacBride of Ireland, said in an interview on the eve of the final meeting that the report faced an uncertain reception by the 146 member governments of UNESCO.

"More than half the member governments are military dictatorships and in probably 75 percent of the governments there is virtually no freedom of expression," Mr. MacBride said. "So how a body of that kind is going to deal with a report which is favorable to freedom of expression, I don't know."

Controversy

The commission, though autonomous, has not escaped the controversy that has been generated by some of UNESCO's other initiatives involving the mass media. Its pre-

liminary report stirred intense debate at last fall's general conference at UNESCO headquarters here.

But Mr. MacBride, 75, a former Irish foreign minister who has won both the Nobel and Lenin prizes, said that two years of study had brought a remarkable degree of understanding among the commission members, who reflect the conflicting ideologies of the role of the press.

The final report, he said, would include reservations and possibly individual statements that may take issue with the majority document.

"It will deal very fully and squarely with the problems and will not try to dodge them," Mr. MacBride said. "It may not be able to provide answers to all of the problems, but it will at least face the problems and deal with them."

He added: "There will be nothing in the final report, I think, that could be construed as accepting censorship — there will probably be indications that this thing [censorship] should be avoided at all costs."

But he said that he would continue to push for some form of international "protection of journalists" despite widespread objections from Western editors who argue that this might entail a licensing of journalists.

"Any guarantee of freedom of expression is not worth the paper it's written on unless the journalists themselves are protected," Mr. MacBride said. "There is no freedom of expression if you can be sacked overnight or thrown out of your country."

Air-Control Strikes

To Continue in France

PARIS, Nov. 19 (Reuters) — Air-traffic controllers in northern France voted today to continue their unofficial strike that has paralyzed the main airports of Paris for three weeks and forced international airlines to bypass France.

The controllers are demanding more pay, new equipment and higher training levels. By refusing take-off and landing clearances on a selective basis the controllers have reduced commercial flights into Paris by about 50 percent since Oct. 25.

India and Bangladesh

Trade Fire at Border

NEW DELHI, Nov. 19 (Reuters) — Firing has broken out again between Indian and Bangladesh border guards at a disputed area near India's Tripura state, officials said today.

Bangladesh guards fired on Indian border security forces twice yesterday and Indian guards fired today to scare off Bangladesh infiltrators, the officials said.

Bangkok Blast Kills 4

BANGKOK, Nov. 19 (Reuters) — Three adults and an 11-year-old girl were killed and many others injured in a grenade explosion here, police said today.

The commission, though autonomous, has not escaped the controversy that has been generated by some of UNESCO's other initiatives involving the mass media. Its pre-

The International Society of Postmasters announces its Official Tribute to

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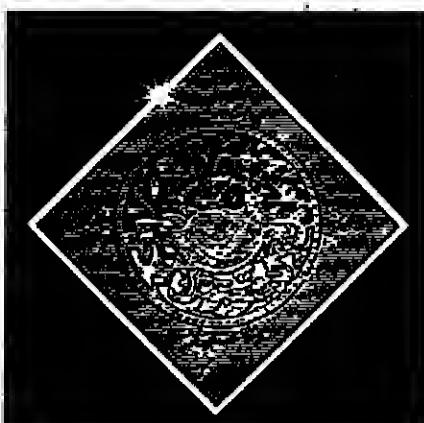
A limited edition issue



"Liberty Seated" is the theme of the first stamp of Liberia. Based on a British colonial design, it differs only in the helmet has become a spear, and the figure is seated on a stone jetty.



Spain's first stamp features the portrait of Queen Isabella II, who reigned in 1850 when this stamp was issued. A special "spiderweb" cancellation was devised to avoid defacing the Queen's image when the stamp was postmarked.



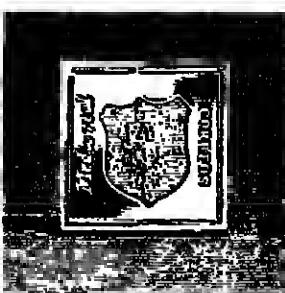
The circular-shaped 1 shahi "Tiger's Head" of Afghanistan was issued in 1871 during the reign of Sher Ali Khan. The word "Mahsul" was torn out by the postmaster when the stamp was cancelled. Thus, there are no unused specimens of this stamp in perfect condition. Below: detail of the gold on sterling stamp enlarged to show fine detail.



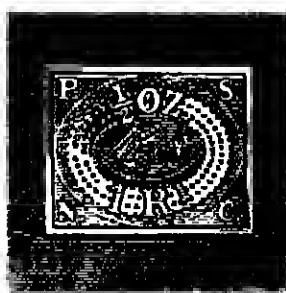
Classically simple, the 2 skilling "crowned figure" design of Iceland was based on an earlier stamp of Denmark. Only 40,000 were ever printed and they are extremely difficult to come by today.



In 1871, Germany was re-established as an empire. And on January 1, 1872, the new Imperial German Postal Administration officially issued this 1/4 guilder as Germany's first stamp.



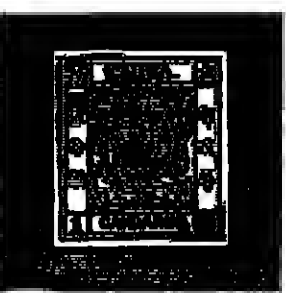
The Dominican Republic's first stamp bears the Coat of Arms, framed by words identifying its denomination and postal status. Individual specimens are available but only one such stamp exists on any one day.



The 1 real stamp of Peru represents the method by which mail was delivered in Peru when the first stamp was issued in 1871. Only 100,000 were issued and they are very rare today.



The "Hermes Head" was the first stamp of Greece, issued in 1861. The stamp bears the denomination of 1 lepton and portrays Hermes, the winged messenger of Greek mythology.



The 1 candaren stamp of China is identified by its "Imperial Dragon" motif. The Chinese characters stand for the Great Qing Dynasty. This early stamp was both gummed and perforated.

* 24 carat gold plated on Sterling Silver.

Stamps in Vermeil shown actual size

A definitive collection of 73 historic stamps from the 'Golden Age of Philately' — each one the first stamp ever issued by one of the 73 nations that were the very first to issue postage stamps. Each stamp authentically re-created in Vermeil* by Le Medaillier Franklin in France.

Must be postmarked by 15th December, 1979. Limit: One collection per person.

IN THE YEAR 1840, the first postage stamp in history was issued. It was a British stamp which came to be known as the 'Penny Black'. It bore a classic portrait of the young Queen Victoria along with the designation 'Postage One Penny'.

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Superbly accurate re-creations of the world's first stamps

Working from the actual stamps themselves, the artists and sculptors of the Franklin Mint carefully re-create the designs for these historic stamps, capturing all of their distinctive features — even to the most minute details. Then Le Medaillier Franklin's (France) master craftsmen will strike each Vermeil* stamp in flawless Proof quality — with the same beautiful brushed-on-mirror finish that distinguishes the world's finest medals and coins.

The result will be a collection of fascinating and entirely accurate replicas of stamps that are among the most significant

can in history. Stamps that are today considered to be some of the world's most interesting philatelic treasures.

Officially authorized and fully authenticated

To certify that each Vermeil* stamp bears the approval of the International Society of Postmasters, the official symbol of the Society will appear on the reverse of each minted stamp. In addition the reverse will include the name and denomination of the stamp — both in English and French — the designation 24 carat gold on Sterling Silver, together with Le Medaillier Franklin's (France) mint mark and the French Assay Office's hallmark.

A Certificate of Authenticity, bearing the signature of the Secretary-General of the International Society of Postmasters, will be provided to each subscriber. The historical background of each stamp will be described in a specially-written commentary that will accompany the stamp.

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The collection will be issued at the convenient rate of one per month, and the original issue price for each Vermeil* stamp is just 195 French Francs. This price will be guaranteed for each stamp, regardless of any increases in the cost of minting or of precious metals during the subscription period.

The deadline for subscriptions to Le Medaillier Franklin (France) is 15th December 1979. The subscription form below should be mailed to Le Medaillier Franklin, 4 avenue de l'Escuvier, 95200 Sarcelles, France, no later than this date.

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Firms Independence

Ceausescu Restates Policy In Relations With Russia

By John Darnton

BUCHAREST, Nov. 19 (NYT) — President Nicolae Ceausescu restated Romania's policy of "firm independence" in its relations with the Soviet Union today in a thorough restatement of the country's position of relative independence from the Soviet Union in its affairs.

Romania will do everything for the continuous amplification of our political, economic, technical, scientific and other relations with all countries, regardless of social systems, he told the 2,500 delegates to the 12th Congress of the Romanian Communist Party today.

The Romanian leader, carefully avoiding his policy pronouncements with pledges of solidarity with the Soviet Union, touched many familiar themes — an appeal for decreased military spending, a plea for further steps in detente, and a call for abolition of both the NATO and the Warsaw Pact, to which Romania has never joined.

"He rang most of the familiar bells," said one Western diplomat.

Perhaps the most noteworthy aspect of the congress was the presence of a top-ranking Chinese representative, Ulanhu, a member of the Chinese Communist Party Politburo. His attendance was one more link in the independent path of Romania, which unlike other communist countries allied with Moscow has kept good terms with Peking.

The Chinese have not sent a representative to the party congress of a former private country since the mid-1960s.

Mr. Ceausescu said Romania welcomed the current talks between the Soviet Union and China. He

called upon China and Vietnam to settle their differences "exclusively by negotiation" and he proposed a special conference on disarmament in Europe. He strongly praised the proposed Soviet withdrawal of troops and some armaments from East Germany.

He promised military cooperation with other Warsaw Pact members but "for defense in the event of an imperialist aggression" and pledged cooperation with Comecon, the East European counterpart of the Common Market. Last year Romania declined Soviet demands for increased military budgets in Eastern Europe and rejected an attempt by Moscow to integrate the pact's command structure. The change would have allowed the troops of the seven member countries to be mobilized by the Soviet Union in an emergency without explicit approval from each country.

On the domestic scene, the president surprised his enthusiastic audience, which rose up chanting "Ceausescu and the people," by announcing that oil had been discovered on the country's first offshore drilling rig in the Black Sea. He said he hoped further discoveries would "further our goal of being totally self-sufficient in energy."

Seated behind the president was his wife, Elena Ceausescu, who holds several important posts in the party and government. She had not been seen in public since Oct. 17 and her appearance ended rumors that she had been badly hurt in an automobile accident.

Rescue Effort Under Way

9 Temples Threatened By Dam Project in India

By Michael T. Kaufman

HYDERABAD, India (NYT) — A promontory at the confluence of two rivers 150 miles from here, one of the world's most ancient and important Hindu temples is one of 59 temples in the area that archaeologists are trying to save from the flood that will come when a hydroelectric dam begins to push back the waters of the Krishna.

That power project, with its 420-foot-high dam, is scheduled for completion next year. At that time a lake will start forming that will cover an area of 100,000 acres.

More than 100 villages with a population of 52,000 will be inundated. Most of these people have already been resettled with compensation. Now, with the construction of the dam, the race is on to salvage the temples.

"The one on the point of land between the Krishna and the Nagarjuna rivers is probably the most important. It is of the Chalukyan style, and intricate carvings that are highly detailed and well preserved," he said.

Dr. Krishna Murthy, the official in charge of the archaeological survey of the area, said he often referred to the old form of Sanskrit work that described the building of temples. It is called Tantrasamuktam, and the temple is known as the Kirtimukha Sankararam.

Dr. Krishna Murthy refers to it as "my temple."

In his office here, surrounded by blueprints and photographs showing the shrinkage of the temple, the archaeologist explained proudly that he used only modern methods. "We built a metal frame around the temple with a movable treadmill on top," he said. "We have our own generator since the area is 12 miles from the nearest village, and it's hot."

The stone blocks were hoisted by the treadmill and deposited into trucks. Each of the almost 700 pieces was marked. They are being stored at a site 15 miles away where the temple will be reassembled.

Dr. Krishna Murthy said he adapted some of the techniques from the procedures that were used during the Unesco project to move the temples of Ramses II at Abu Simbel and save them from the flood created by the construction of the High Aswan Dam in Egypt.

Preserving the Spirit

He noted that, unlike the Egyptian site, "this is a living temple." Several times a year pilgrims who have traveled great distances, covering the last section on foot, assemble for special prayers and devotions.

As a result certain steps had to be taken before any work could begin. Brahman experts conducted an unusual ceremony through which the divine spirit that is held by believers to rest within the lingam, the stone male symbol inside, was collected in a brass urn. According to these rites, the spirit will rest in the urn and will be returned to the lingam in another ceremony when the temple is reconstructed.

The cost of moving this temple will be about \$225,000. Like the expenses involved in moving the other 58 temples they are borne mostly by the federal government, though the state of Andhra Pradesh, where the sites are situated, is also participating.

Now that the Sankararam temple is almost taken apart, Dr. Krishna Murthy is turning his attention increasingly toward the second phase of his part of the rescue — the taking apart and storing of a group of 26 temples scattered over a tract near Alampur village.

Bonn Chief Said Released by Soviet Arms Decision

BONN, Nov. 19 (Reuters) — German Chancellor Helmut Schmidt has written to President Ronald Reagan welcoming the Soviet Union's readiness for comprehensive arms limitation talks, diplomatic sources said here today.

Mr. Schmidt's letter, replying to a letter last month by President Reagan, was written in the Soviet Union, where he was on a state visit.

In the letter, the chancellor noted with satisfaction Moscow's willingness to expand Strategic Arms Limitation Talks to include medium-range nuclear weapons.

The chancellor described the Soviet Union's unilateral decision to withdraw 20,000 troops and 1,000 tanks from East Germany as a positive contribution to reducing tensions in this area, the sources said.

Mr. Schmidt also referred to a state visit at the end of Mr. Reagan's visit to West Germany last year when both sides agreed not to seek military superiority.

Reporter Barred By East Berlin

BERLIN, Nov. 19 (Reuters) — A West German television journalist who produced a major series on East German dissidents said today he had been barred from entering East Berlin.

The journalist, Ralph Giordano, said that he was turned back at the border yesterday without explanation.

He said that he assumed the message was connected with his four-part television series on opposition groups within East Germany, which was broadcast in West Germany last month.

3 Palestinians Are Deported By West Berlin

BERLIN, Nov. 19 (Reuters) — Three Palestinians, including one who took part in a guerrilla attack on Athens airport six years ago, were deported from West Berlin to Libya today, police said.

They were flown to Tripoli via Frankfurt six days after their arrest for trying to enter West Berlin with forged Libyan passports, police said.

They included Ali el-Arid, 27, who was sentenced to death in Athens in 1973 for an attack on an American airliner in which five persons were killed. He was pardoned in 1974 and deported to Libya.

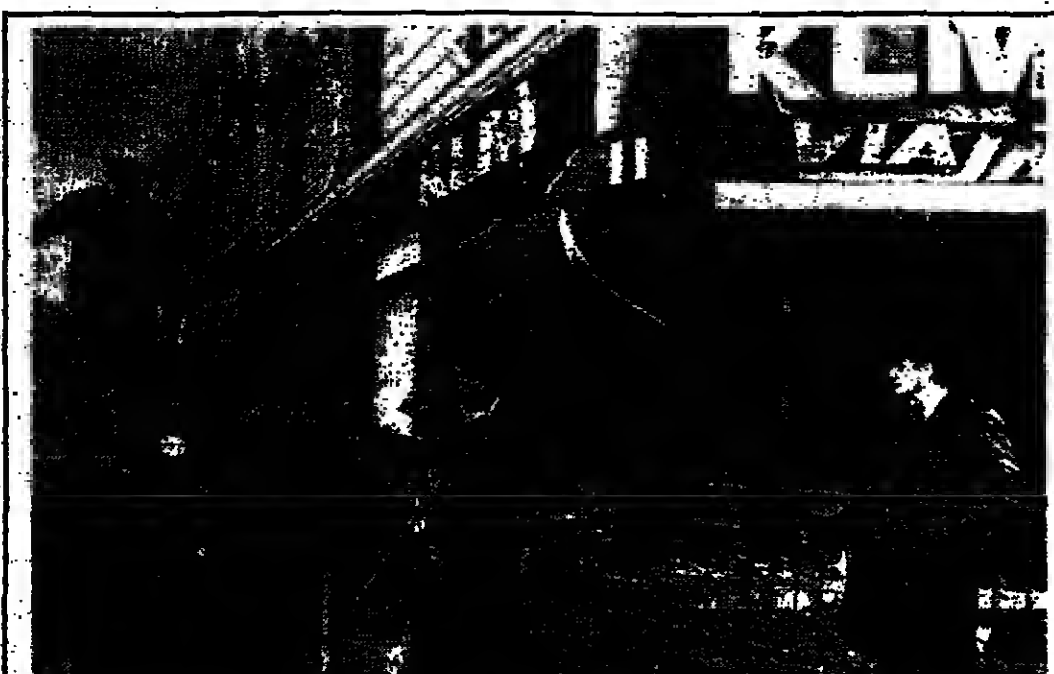
Sources said that an Arab source had given the tip-off that led to the arrest of the three Palestinians.

West Berlin stepped up security checks in fear of reprisals after the disclosure three weeks ago that Israeli agents were allowed to question Palestinians in a West German jail.

2 Die in Italian Jet Crash

GROSSETO, Italy, Nov. 19 (Reuters) — A U.S.-made F-104 Starfighter of the Italian Air Force crashed into the sea today, killing the two pilots on board, an air force spokesman said.

The first of them was on Oct. 5,



BOMB AFTERMATH — Workers clean up debris in front of the Paris office of KLM Royal Dutch airlines yesterday morning after a night-time blast. The offices of Lufthansa, the West German airline, and Turkish Airlines were also bombed. Anonymous callers of a group calling itself the "Secret Army for the Liberation of Armenia" said the attacks were to protest "Turkish fascism." Three French policemen were injured in the explosions.

At Least 43 Dead in 3 Explosions

Accidents Rock Poland's Coal Industry

CZECHOWICE-DZIEDZICE, Poland (NYT) — The coal industry, vital to Poland's economy and basic to its politics, has been rocked by a string of mine disasters.

There have been three major underground explosions; 43 miners have died and 20 are presumed dead after they were trapped Oct. 31 in a shaft where a methane fire raged.

The news of the accidents has been treated gingerly. Both the Communist Party leader, Edward Giersek, and the premier, Piotr Jaroszewicz, visited this key southern province to confer with rescue workers and to show their concern.

Mr. Giersek, son of a miner who died in a mine accident and a former miner himself, exalted Poland's miners as "the greatest treasure of our socialist state."

Mr. Giersek addressed the party members of the Sosnowiec mine, about 30 miles from the accident site. Parts of his speech were televised nationally.

"I don't have to say here among these people how deeply I have lived through this tragedy with the miners of Silesia and with the families of those who are probably not alive, though I would rather be wrong," he said. "I worked 18 years in the mines. I was also under a rock fall. I lost my father, my grandfather and my mother's brother in the mines. I know what the pain means and the great human misfortune, particularly the misfortune that touches miners at their work. That is why we shall do everything to improve work safety in the future and to increase the role of labor safety during the exploitation of coal."

Coal is Poland's chief export earner, bringing in about 15 percent of its hard currency. It is also a prime domestic resource, used to generate electricity. The country is already experiencing power shortages that have forced cutbacks in factory production. The energy problem will worsen during the winter months.

The government, which has been pressing for greater coal production, is nervous about the reaction of miners and fearful that discontent could take the form of strikes or other actions.

Judging from interviews with miners conducted close to the scene of the latest disaster, there is some basis for the fear.

"I tell you, the government had better do something and do it fast," said one man, his eyes rimmed with black streaks from 23 years working underground. "If they don't, we may do something ourselves."

He was drinking beer in the Baraborka bar, named after the patron saint of miners, St. Barbara. The normal raucous atmosphere had been replaced by a mood of solemnity and gloom. The drinking was heavy but clearly not pleasurable.

Poland's 250,000 miners, along with 150,000 associated workers on the surface, are the elite of Poland's work force. They are coddled, but remain restless. To make sure that the essential flow of coal continues, the government pays them more than other workers and ensures that the miners' stores are stocked with meat and other food that is hard to get elsewhere.

In Poland, coal is inseparable from politics. When Mr. Giersek came to power in 1970, after strikes and unrest toppled his predecessor, Wladyslaw Gomulka, his power base was the mining and steel-producing region of Silesia, where he was provincial party secretary. It is still his power base.

Silesia is a flat landscape of belching smokestacks, old red-brick buildings and concrete high-rise apartments, relieved by clumps of birches and pines. Highways are lined with slogans extolling hard work and the party's program.

Poland has not supplied statistics on fatal mining accidents since 1971. Information about disasters, not always reported in the press, is hard to come by. But considering that hard-coal extraction is done in deep mines that are 100 years old and that the seams are hard to reach, the country's labor safety record is generally thought to be not bad.

Officials in the Ministry of Mines said in interviews that there were no major disasters in 1977 or 1978. The last serious incident was a fire in 1976. The officials said they were puzzled by the new wave of accidents.

The first of them was on Oct. 5,

on fire and notified the dispatcher. The fire, fed by methane gas, spread quickly up a main shaft. The dispatcher's efforts to evacuate the mine were hampered because an alarm system failed, its cable apparently damaged by the blaze. Two men were hospitalized, two escaped unharmed and two were brought up dead. At least 20 were trapped below.

Mixed with the town's sense of resignation and sorrow is anger. Some young workers are leaving, especially non-Silesians who are not from mining backgrounds and who make up about 10 percent of the work force.

—JOHN DARNTON

I. Velikovsky, Wrote 'Worlds in Collision'

NEW YORK, Nov. 19 (NYT) — Immanuel Velikovsky, 84, the Russian-born writer whose theories about colliding planets entertained and outraged the scientific world while mesmerizing millions of science buffs, died Saturday at his home in Princeton, N.J.

Trained as a physician and psychiatrist in Moscow, Mr. Velikovsky studied Sigmund Freud's analysis of the subconscious mind of Moses. That work, coupled with his own knowledge of mythology and biblical lore, led him to embark on an unorthodox lifelong course of study summarized in his "Worlds in Collision," published in 1950.

The book has appeared in 50 hard-cover editions with paperback sales in the millions.

Mr. Velikovsky's fanciful theories centered on his belief that a fragment of the planet Jupiter — later identified as Venus — careered through the heavens around 1500 B.C. and lightly brushed the planet Earth, causing a series of catastrophic consequences that earthlings have since tried to forget; hence the origin of a Velikovsky notion he called collective amnesia.

Among the effects of the collision, according to the writer, were: interruption of the Earth's rotation, causing the oceans to spill; the leveling of mountains in some places and their sudden establishment in other locations.

Trail of Hydrocarbons

According to Mr. Velikovsky, before Venus proceeded on its course, disturbing the heavenly peace for at least another 52 years, it sprinkled a trail of hydrocarbons. Included, he argued, were drops of oil the Earth absorbed — the basis of modern petroleum industries — and even food, which Mr. Velikovsky maintained, citing the Bible as proof, sustained the ancient Israelites.

Turning aside conventional scientific knowledge in many disciplines whose domains his ideas touched, Mr. Velikovsky, for instance, re-

butted the argument of geologists who pointed to fossil tree rings as proof of an uninterrupted diurnal cycle in the world's history for the last 360 million years.

His controversial theory and his popularity with much of the public led some critics to threaten his publishers with boycotts and caused others to dismiss him affectionately as the "grand old man of the fringe."

One of his first major works, "Thirty Days and Nights of Diego Pires on the Bridge of St. Angelo," was published in 1935. Other works were "Ages in Chaos," Vol. 1 (1952), "Earth in Upheaval" (1955), "Odyssey and Akhnaton: Myth and History" (1960) and "Peoples of the Sea" (1977). "Ramses II and His Time" was released last year.

He was born in Vitebsk on June 10, 1895, and educated in Moscow and the University of Edinburgh. In 1923, he married Elisabeth Kramer, a violinist. The couple lived briefly in Paris and in Palestine before coming to the United States and settling in New York City in 1939.

Col. Charles Sumnerall Jr. BELMONT, Mass., Nov. 19 (AP) — Retired Army Col. Charles F. Sumnerall Jr., 77, who served in North Africa in World War II, has died at his home here.

Col. Sumnerall, who died Thursday, was a 1924 graduate of the U.S. Military Academy and commanded the 27th Field Artillery Battalion of the 1st Armored Division. He was awarded the Silver Star for gallantry in action.

Col. Sumnerall was also director of the tactics department of the armored school at Ft. Knox, Ky., and from 1949-1952, he was professor of

Col. Sumnerall was also director of the tactics department of the armored school at Ft. Knox, Ky., and from 1949-1952, he was professor of

Paris, Nov. 19 (Reuters) — Eric Losfeld, 57, who published the comic strip "Barbarella" and "Emmanuelle," died here yesterday of a heart attack.

The Belgian-born Losfeld's publishing house had 33 of its books seized for outraging public morals while he appeared in court more than a dozen times, either to challenge the seizures or answer charges.

The Losfeld publishing house also handled the books of avant-garde authors Boris Vian and Eugene Ionesco and edited the surrealist magazines Bizarre and Positif.

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The Monza is a totally unique automotive concept. Its sporty dynamism distinguishes it from mere high output sedans, while its spacious interior goes far beyond that found in existing examples of the sporty coupe genre. It is amazing how successfully the Monza combines these seemingly contradictory qualities within its elegant, aerodynamic shape.



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MONZA ADAM OPEL Aktiengesellschaft

Keeping the Hostages Alive

The latest word from Qom is that unless the United States hands over the shah, those hostages who are tainted by race (Caucasian) and sex (male) will be put on trial for espionage. Iran's hanging judge, the Ayatollah Khomeini, will no doubt be on the bench. As long as the hostages' lives are in danger, the Ayatollah Khomeini can continue to rant, threaten and demand. But even Khomeini must realize by now that the more he provokes the United States the more retribution will become inevitable.

It could come in the form of modern arms for the Kurds, a lasting ban on the sale of spare parts for Iranian military equipment, refusal to provide any kind of technical assistance, nationalization of Iranian funds in U.S. banks, aid to those bent on overthrowing Khomeini, or all of the above. If the hostages should be killed or sentenced to prison or other forms of Islamic punishment such as flogging, U.S. public opinion could be expected to demand a military response, which President Carter would probably feel compelled to carry out even if this were not an election year.

There is a sense in some of the recent statements by Foreign Minister Abolmohsen Bani-Sadr, that he wishes the whole thing had never happened and would just go away. But Bani-Sadr is not running the show. No one is. The secretary of the Revolutionary Council has threatened the United States with a break in diplomatic relations (what incredible gall while young Iranian thugs occupy the U.S. Embassy and hold the diplomatic staff hostage). But does the Council represent the Ayatollah? Did the Ayatollah or the Revolutionary Council or the so-called students decide which hostages would be released?

There is no readily available precedent for a mass trial of diplomats for spying. Even at

the beginning of World War II, the United States expelled German and Japanese diplomats rather than hold them as prisoners of war. If the civilized world does not respond to Iran's continued flouting of international law, anarchy may become the rule and reason the exception in relations between nations.

For the time being, however, the overriding need continues to be to keep the hostages alive. The return of the shah has been ruled out for good and off-repeated reasons. Some other way must be found to convince the Iranians — Khomeini, the rest of the clergy, Revolutionary Council members, the embassy occupiers and the Islamic masses — that the hostages can be released without too much loss of face.

It is unlikely that they can be worn down by time because there are too many of them. They certainly don't seem amenable to arguments based on law or logic. Nor, given the application of Islam in the Iranian revolution so far, does there seem to be much hope in an appeal to compassion or humanity. The best chance would seem to lie in demonstrating that the orthodox of Islam around the globe, both Shiite and Sunni, share with the rest of the world the conviction that Iran has chosen the wrong way to achieve its goal.

They need express no opinion on whether Iran has the right to bring the shah home for trial. They need only explain to the Ayatollah that the sanctity of embassies ought not be violated. There is, of course, no guarantee that the United States could organize an Islamic consensus. Nor is there a guarantee that the Ayatollah or the other Iranian power centers would respond to it. But in the current situation, as the hostages' ordeal becomes progressively more difficult and dangerous, it is a possible approach.

INTERNATIONAL HERALD TRIBUNE.

Focus on World Population

Population statistics are not a guide to what will happen, or even what might. They are an index to what could happen if their implications were completely ignored and the world were static rather than in flux. Therefore, no one really expects Germans to disappear from the earth in the next century, or that the populations of Sao Paulo and Mexico City will grow to 26 million and 30 million, respectively, by the end of this century.

What can be expected, judging from recent history, is that insufficient attention will be paid to the population time bomb. The worst disasters will be avoided and most people will muddle through. Indeed, the lives of many in the West will improve or remain untouched. But the timely, rational and thorough response the figures indicate, will not be forthcoming. After all, for those who follow statistical trends, the current world oil bind came as no surprise. With demographics as with oil, short-term, politically inspired tactics can be expected to substitute for long-term strategies concerned with the future of the race.

Mary Blume's two-part series on world population trends, which concludes in today's International Herald Tribune, puts into focus a confusing mass of data from countries around the globe. It raises questions about excessive growth, stagnation, patterns of employment and aging populations. They are questions to which governments must pay attention if they are at all interested in avoiding future crises.

Take aging, for example. Better diet, better medicine and easier lives have resulted in more old people. Some demographers worry that this will adversely influence the ratio of productive to nonproductive persons. But that need not be so. For one thing, advancing technology will probably give industrial man more leisure than he can handle. Therefore, fewer so-called productive people will be needed. Instead, the wisdom and experience of the old can be mined to everyone's advantage, thereby changing our definition of productivity.

INTERNATIONAL HERALD TRIBUNE.

Bolivia: Coup That Failed

Bolivia, true enough, has been ruled from the barracks during much of its turbulent history. But that is a custom that most Bolivians have been longing to abolish. The scenario was familiar a month ago when a hard-nosed officer, Col. Alberto Natusch Busch, deposed an incipient civilian government. Happily, the sequel was not. The ousted president, Walter Guevara Arze, declined to resign, the Bolivian Congress refused to recognize military rule, and a general strike paralyzed La Paz. When even the army turned against him, Col. Natusch prudently moved toward the exit, demanding only that President Guevara be prohibited from resuming office. Simultaneously, Lidia Gueiler was chosen to be interim president and Bolivia's first woman chief of state.

What is significant about the coup that failed is that Bolivia's democratic forces were actively encouraged by the neighboring governments of the Andean Pact. The increasing cohesion of the Andean group is the most

remarkable and heartening development in South America during the past decade. Of the five pact nations, Venezuela, Colombia and Ecuador have elected governments, and Peru is due to vote on a civilian president next year. The lapse in Bolivia was thus a blow to the democratic aspirations of an entire region.

By working with the Andean group, the United States can help Bolivia as it once again aims to find a democratic path. U.S. aid programs, which were suspended after the Natusch coup, are to be resumed and Washington can once more join other hemisphere nations in supporting Bolivia's longstanding bid to recover an outlet to the Pacific that it lost to Chile a century ago. Simon Bolivar once lamented that in seeking to establish free republics he had ploughed the sea. The prevailing tide is now democratic, even in coup-ridden Bolivia.

THE NEW YORK TIMES.

International Opinion

World Economic Slump

The world is facing slump, hyperinflation and anarchy. At the heart of the problem is oil.

In six years of alternating smugness and panic, nothing has been achieved by way of a sensible accommodation between the oil-producing countries and the rest.

This failure threatens us all. There is, in the ever more vertiginous prices, the vulnerability of supplies and the quickening convulsions of the international monetary system, as potent a brew for calamity as economic man ever contemplated.

— From the Sunday Times (London).

In the International Edition

Seventy-Five Years Ago

November 20, 1904

PARIS — A reader writes to the editor today: "It is a surprise for the Anglo-Saxon visitor to the Ottoman Empire to find himself face to face with pettifogging restrictions such as the question of passports. It is decreed that no foreigner should visit within the Sultan's dominions except provided with a passport, or, at least, setting forth in minute detail the origin, complexion, and general appearance of the bearer. These annoyances might have applied 200 years ago, but now only tend to show that the 'sick man of Europe,' like many invalids, derives a certain pleasure from making those around him feel uncomfortable."

Fifty Years Ago

November 20, 1929

WASHINGTON — A leaky suitcase has caused rancor in the Senate against Rep. Edward Denison, R., Ill., and his secretary John Layne. The suitcase appeared in the Union Station last January. It is alleged to have borne a tag addressed to Mr. Layne in care of Rep. Denison. Wherever it was placed, it produced a puddle which scented the whole station with an illegal odor. Prohibition agents found the case filled with whiskey. They made no report until Nov. 8. Because of recently renewed allegations that liquor seeps through the very portals of Congress in never-ending flow, the Denison affair is arousing widespread comment.



Beyond the Oil Embargo

By Robert Stobargh and Daniel Yergin

CAMBRIDGE, Mass. — President Carter's embargo against Iranian oil is certainly manageable. After all, during the Arab oil embargo of 1973, the international oil companies managed to swap around more than twice the amount of oil that the United States has been importing recently from Iran.

The very manageability, however, emphasizes why the embargo, on the importation of 700,000 barrels a day or about 4 percent of the U.S. daily consumption, is hardly enough by itself. Unless there is a follow-through, all we are really doing is shuffling barrels of oil around in the world market.

What the United States doesn't buy from Iran, it will buy from someone else. And someone else will buy the oil the United States has been buying from Iran. Iran and the other members of the Organization of Petroleum Exporting Countries know this.

Overdependence

The United States will continue to import the same amount of foreign oil. It is this overdependence on foreign oil that is the real U.S. problem and the source of its vulnerability. The Carter embargo does not deal with that issue. The United States is extraordinarily exposed. Almost half of its oil is imported, and it is the largest buyer of OPEC oil.

Iran's entire oil production could be shut down tomorrow. Other OPEC countries have been considering production cutbacks, and there could certainly be incidents or upheavals in other producing nations that could seriously disrupt supplies. As it is, the United States has suffered acutely from the wild increases in oil prices. At the end of last year, the U.S. weekly bill for imported oil was \$800 million. Today, it is \$1.5 billion. Even before the seizure of the U.S. Embassy and the taking of hostages, it was heading toward \$2 billion a week by early next year.

Shuffling barrels in such circumstances is not enough. Decisive measures are required to reduce U.S. need for imported oil. Such steps would have decisive economic and political effects. It would make the embargo credible. This combined with the current high level of inventories could have a major impact on the December meeting of OPEC; otherwise that meeting is likely to raise prices closer to the spot-market level. The announcement of meaningful measures could be the first move to check the current upward rise in oil prices, which now show no sign of abating.

Measures Needed

The United States needs both long-term and emergency measures that will reduce its dependence on foreign oil. It needs program that will accelerate energy conservation — that is, energy efficiency. This would mean much larger incentives — tax credits, grants, loans — to

finance energy-conservation investments in industry, homes and offices. We have had more than enough talk about sacrifice and the morality of energy conservation. We need appeals to self-interest, constructive programs, and an emphasis on the opportunity that conservation provides. Events and a shift in public attitude have for the first time since 1973 provided a great opportunity for dynamic leadership on energy conservation for both the administration and the Congress. But that is not what we have gotten so far.

Last week, the Congress voted \$19 billion for a synthetic-fuels program. Some senators suggested that this program would help the hostages in the U.S. Embassy in Tehran. The synthetic-fuels program could help if this were 1995, since such fuels cannot make much of a contribution before then. The Congress also voted \$1 billion for conservation — which looks pathetic next to the current weekly bill of \$1.5 billion for imported oil. Priorities are upside-down.

Price Rises

Accelerated conservation programs should be accompanied by immediate efforts to reduce U.S. oil consumption in order to prevent further price rises and to protect the United States against a complete shutdown of Iranian production and possible production cutbacks in other nations. The target could be 1 million barrels a day — about 12 percent of imports and 6 percent of consumption. If a cutback of this magnitude had been made last winter during the earlier Iranian shutdown, world oil prices would not have risen so dramatically this year.

Gasoline is a big opportunity. One out of nine barrels of oil that are used in the world every day is burned as gasoline on U.S. highways. If the public drove three fewer miles daily, as President Carter has asked, that would help. But voluntarism is not enough. The United States can reduce consumption either through rationing or a gasoline tax. We can debate the pros and cons until we are blue in the face and oil, now about \$25 a barrel, rises to \$50 a barrel. Time is of the essence.

Today, speed and ease of implementation argue for an additional gasoline tax of 25 to 50 cents a gallon. Such a tax would not create the inequities and distortions that the federal system of gasoline allocations created last spring. Such a tax would not be beyond imagination or experience. Many Europeans now pay more than \$1.50 a gallon in tax.

And we certainly know that there is much greater flexibility in how we use gasoline than how we use, say, home heating oil. Legitimate arguments of equity are raised when a U.S. gasoline tax is mentioned. But lower-income groups would be hurt a lot more by the \$50-a-barrel oil and 10 percent unemployment that could result if the U.S. demand for oil is not restrained.

Credibility

Furthermore, a 25- to 50-cent tax could be rebated to lower-income groups and be used to finance conservation. An immediate gas tax would give real credibility to the president's embargo. It would be a powerful signal of U.S. resolve to other Western consumers, who are panicky, and to oil producers, and it would reduce U.S. use of foreign oil.

Washington seems to have fallen behind the public. A poll in October for the Alliance to Save Energy, a citizens group in Washington,

A Time for Israelis To Lower 'Barriers'

By Anthony Lewis

NEW YORK — Two years ago yesterday, Anwar Sadat went to Jerusalem. Astonished millions in Israel and around the world heard him tell the Knesset:

"You would like to live with us in this region of the world, and I tell you in all honesty that we welcome you among us."

That journey made such deep changes that to examine attitudes then and now is to sense an earth fault in history. Before, Israel and its friends were sadly convinced that no Arab neighbor would talk openly with the Jewish state, recognize it, respect its right to a secure existence. Today President Sadat is so accepted a visitor and friend that he is almost an old shoe.

Of course, there are still differences between Israel and Egypt, but nearly everyone now expects that they will be settled, or pursued, within the context set by Sadat: "No more war." Where fear and tension persist in Israel's relations with the Palestinians. The second anniversary of Sadat's visit is a good time to ask what lessons it carries for that difficult problem.

Perceptions

Sadat himself said at the time that he made the trip in order to "get rid of the psychological barrier that in my idea is more than 70 percent of the whole conflict. The other 30 percent is the substance." And subsequent events have shown how crucial psychological perceptions can be.

When the peace process faltered last year, the Israeli government and some of its supporters in the United States reverted to suspicion of Sadat. A press release issued by the Conference of Presidents of Major American Jewish Organizations was headed sarcastically "Anwar Sadat Superstar." It spoke of his "hard-line position" and his "obdurate refusal to discuss Israel's security needs."

Such documents make embarrassing reading today. But they show something. The psychological barrier persisted even after the Jerusalem visit. It took time, the development of a sense of trust, before the overwhelming logic of an entente between the two major conservative powers in the Middle East could prevail.

On the way to Camp David there was a crucial development inside Israel: the rise of the Peace Now movement started by young former military officers. The Sadat visit had freed them, in a sense, from the conventional Israeli political assumptions. They saw that peace with Egypt would enormously enhance Israel's security. They spoke out. And they proved that an unstructured movement outside the parties could arouse real public pressure on the peace issue.

The psychological barrier is far

greater when it comes to Israel dealing with the Palestinians. Consider the Begin government's extraordinary decision to arrest and deport the elected Arab mayor of Nablus, the largest city on the West Bank, a decision that must rank as one of the all-time examples of a self-inflicted political wound.

The mayor, Bassam Shaka, was accused of speaking in support of terrorism — not in a public speech but in a private interview by the Israeli military governor of the West Bank, Gen. Danny Matt. Five times the general asked him whether he thought terrorism was justified. He was as if an attempt were being made to draw him into trouble, a trap, as some Israeli commentators called it.

When a transcript was published, the mayor's words turned out not to be an endorsement of terrorism. He was asked about the terrible gas attack on the coastal road that killed 34 civilians in March, 1978. He said that as long as Israel continued its occupation, and its military activities in southern Lebanon, "you can expect many operations of this type." This is the reality which we live.

In short, the one democratic country in the Middle East decided to deport an elected official from his own community because of some ambiguous words he said when questioned by a general of the occupation forces. And the decision was taken at the very moment when Israel is negotiating with Egypt about Palestinian "autonomy," hoping to draw some Palestinian leaders into those talks.

Such episodes undermine Israel's credibility in the peace process. Worse yet, they compromise a moral foundation of Israeli society. The Zionist dream of Jewish emancipation turns into the corruption of the occupier. And such episodes will happen as long as there is an occupation.

Change

The way out, again, must be psychological change. And something may be starting to happen in Israel. The Peace Now movement, revived, is pressing for accommodation with the Palestinians. A recent Peace Now rally in Tel Aviv drew 80,000 people, a large number for that small country. But if psychological barriers are to fall, there must also be Palestinian initiatives as meaningful as Sadat's.

For reasons of ideology and history as well as psychology, there is reluctance in Israel to accept the fact of Palestinian nationalism. But Sadat spoke wisely when he told the Knesset two years ago:

"There is no use not recognizing the Palestinian people and its own right to establish its homeland. There is no happiness for people at the expense of other people."

©1979, The New York Times.

A Talk With Djilas

By C.L. Salzberger

BELGRADE — Yugoslavia is by far the freest communist state and it is rank exaggeration for an ordinary person to refer to it as a prison. When compared with the Soviet Union, China, Cambodia, North Korea, Poland, Czechoslovakia, Bulgaria, Albania, Vietnam, Hungary or even Romania which retains a quasi-independent foreign policy, Yugoslavia seems strikingly free to a Marxist society.

Hundreds of thousands of its citizens live and work in Western Europe. Foreign capital investment is encouraged. There are joint business enterprises with Western private groups. And of the small number of "political" prisoners here, the majority are either Croatian rightist nationalists of the fascist Ustachi or conspirators working for Moscow.

But for Milovan Djilas, who has spent around nine of his 68 years in Yugoslavia, the fact that he is now in some respects "free" makes little difference. The first time he was locked up by the Karageorgic royal regime — as a communist.

The second two times were 1956-1961 and 1962-1967 as an anti-communist. Although a famous partisan hero during World War II and then as Marshal Tito's No. 2, he was imprisoned for attacking the dictatorial aspects of the regime and its bureaucracy's corruption.

On emerging from his cell in 1967, Djilas recalls: "I found there was no great difference except having my family, my wife and son and more comfortable surroundings. If you are not allowed to do what you want or to go out of the country when you desire, what is the enormous change?"

"After my last term, I was supposed to be a free person. I could write what I wished — but I was not allowed to publish a single word in my own country for my own people to read — not even my translation of Milton's *Paradise Lost*. [In this respect, Djilas joined with an emigre Yugoslav, who contributed from abroad, and a dissident editor in publishing a small mimeographed magazine this autumn. He has been given a stiff fine as a result.]

"I could travel — but not outside Yugoslavia. And I soon found that people I had known earlier avoided seeing me because they were afraid, knowing I was watched closely by the police. I was isolated."

"But I didn't feel alienated from life. A spiritual maturity had descended upon me. I felt like a hermit dwelling in the desert. Basically, I lived with my thoughts."

"You know, during my final prison term, I was quite calm. I was confident I could continue for the

rest of my life there. I had resolved all my problems. I never felt so free in my life. A warden said to me: 'You hate us.' I replied: 'No, I'm indifferent to you.'"

Djilas, no longer the fierce Marxist commander but a slightly humorless gleam in his eye, has acquired many philosophical lessons from his suffering. He argues: "Prison exists every man psychologically. He becomes aware that he must be alone face oppression and fight back. One learns to count the seasons, not the days."

"I feel guilty about my son, Aleksa [who just finished his military service here but will resume his studies at the London School of Economics] because I was responsible for my own actions which led me to prison while he was a small child. Yet morally I had no other course. When I went to prison, I wondered whether it would have been better for him if I had maneuvered my way out of the problem or to go. The authorities sent me word they were prepared to compromise — on their terms, I may add — but I refused."

"I see my conflict with former comrades more as a conflict between spiritual values and violence than between two contrasting political ideas. I would like to be able to travel abroad but I also wish to be able to live here because I do more for my people here than anywhere else."

"Now, isolated as I am, I have more time for meditation. I am less interested in fighting. Not, as St. Zhenytsin says, that suffering makes a man more gentle. It often provokes him to violence. I learned in prison, especially in solitary confinement, how to be alone, and I resolved then to go to the end of the road if need be. Now I am better equipped both for prison and for life. But I have not yet found freedom."

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Letters

Changing Stations

Thank you for printing the inoffensive William F. Buckley's blunder (H.T. Nov. 5).

... Lenin's fabled arrival at the Finland Station in Moscow in 1917. How sweet it is to see a top-seeded know-it-all do himself in.

You could have called him and said "Bill, the Finland Station was in Petrograd in 1917 and it's still in Leningrad. Maybe we ought to change this."

HOWARD MORGAN,
Alicante, Spain.

Thais Lauded

The global appeals for aid to save starving and disease-stricken Cambodians inside Cambodia have somehow overshadowed the fact that there are hundreds of thousands of these suffering people now under the care of Thailand, and that international assistance on a major scale is badly needed to supplement the humanitarian efforts of Thailand whose resources have been strained to the limit.

If the world wants to help and to ensure that help will go to those who need it most, those who are in a position to provide assistance to the people in distress should channel their assistance through the vari-

ous international relief agencies now coordinating the great humanitarian efforts with the Thai government.

Meanwhile, three cheers to the Thais for yet again demonstrating their traditional compassion and humanitarianism in providing aid, comforts and temporary shelters for their suffering neighbors.

EDUARD BUBOIS,
Geneva.

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Kuwait

Restoration Of Democracy Is Questioned

By Andrew Borowicz

KUWAIT (IHT) — Some time during the next few months, the government of Sheikh Jaber al-Ahmed al-Sabah will have to decide whether to restore Western-type democracy in Kuwait.

On the surface the problem seems simple. It concerns the reactivation of the national assembly (Majlis al-Umma), which was suspended for four years in 1976. The action would also involve changes in the 1962 constitution.

But few things are simple in this part of the world, and even the most enlightened Kuwaitis are wondering whether such a course would be beneficial in the long run for this city-state propelled to prosperity by its oil riches.

Special Committee

A special committee has been formed and its findings should be submitted to the ruler well before the deadline of August next year. Its decision will be based on several questions to which there are no easy answers:

- Would a free-wheeling parliament without political parties, banned in Kuwait, enhance or damage the prosperity based on sound, albeit autocratic, economic planning?
- Is there really a place, in a society reliant on feudal tradition, for a legislature without solid roots that is prone to outside influences?
- Finally, would a wide-open discussion of Kuwait's problems and mounting tensions help the stability of the other Gulf states, which are already worrying about the effect of Iran's Islamic revolution and the bloody ideas of pan-Arab socialism?

There is little doubt that a return to a free-parliamentary debate would enhance Kuwait's stature in the eyes of the West. But it may also, some Kuwaitis argue, create a destabilizing impact in an area that hardly needs more political problems.

Paternalistic Ways

"In this country, everybody — or almost everybody — has free access to the ruler," a Western diplomat commented. "Things are worked out informally, in a traditional, call it paternalistic, fashion. This allows the government to keep control over internal and external policies. It is a comfortable situation for those in power."

Indeed, the Kuwaiti tradition has always relied on "discussion groups" called *diwanias*, rather than on imported Western ideas that have little meaning in the desert. The *diwanias* have continued for centuries, centered on a local notable, whose role as an arbiter passed from one successor to another.

Only adult Kuwaiti males actively participate in political life. For the first generation, they have benefited from an unparalleled prosperity and a reasonably equitable distribution of oil wealth. Opponents of the parliamentary system argue that during the 14 years of its existence, the Majlis hardly contributed to Kuwait's emergence as an economic power or its voice in Arab affairs.

Before its suspension, the parliament of 50 male members was elected from 10 constituencies. The chosen representatives were hardly the elite of the country where, to quote another diplomat, "Most ambitious people go to make money."

'Malicious Behavior'

The ruler's decree dissolving the parliament accused it of failures and abuses. Among those, it cited abuse of legislature for personal gain, time-wasting and "malicious behavior."

Kuwait is not new to Western-type democratic principles. In the late 1930s, it was one of the first Arab states to adopt a constitution. It was a concise one-page document drawn up by Khalid al-Adasani, who is known as the "grand old man" of Kuwait politics.

But much has changed in the Arab world since then. The basically pragmatic Kuwaitis believe that things should be left the way they are — the proverbial "devil you know" looms big here.



Tourist towers.

A 'War Zone': 1,300 Miles of Gulf Coastline

KUWAIT (IHT) — When the world's most prestigious maritime insurance underwriters declare the Gulf a "war zone," the situation cannot be taken lightly.

Five states — including such leading exporters of crude as Saudi Arabia, Iran and Iraq — tried to make Lloyds of London change its mind. But the venerable insurance company has insisted on doubling the risk premium on tankers plying the Gulf. For a tanker worth \$50 million, this represents a hefty increase of \$650,000 a year.

The decision by the insurance company was based on the claim that "prolonged and apparently continuing hostilities" exist in the area. Presumably this was a reference to the turmoil in Iran and signs of revival of the Marxist revolt in the Sultanate of Oman.

The move was really prompted by reports that extremist Palestinian guerrilla groups had planned to blow up tankers in the Strait of Hormuz, that "jugular of the West" between the Gulf and the Indian Ocean. Every 14 minutes a tanker loaded with oil passes the 19-mile wide strait.

'Hostile Force'

Should Hormuz be seized by a "hostile force," Western Europe would be deprived of most of its fuel supplies. Japan's industry would virtually come to a standstill. Even the United States would be affected.

The blowing up of a tanker or two could not block Hormuz. But in addition to creating giant oil slicks, such action would send shockwaves throughout the world, prone to alarm whenever the oil problem is mentioned.

Oman has taken the reports of possible tanker sabotage very seriously. Even now its tiny army of 19,000 men led by some 600 British officers is on special alert. In addition to Hormuz, the forces of Omani Sultan Qaboos bin Said have another problem: keeping a watch over the eastern Dhofar province, infiltrated by guerrillas from nearby Southern Yemen.

Concerned about the situation, Oman appealed to the other Gulf states to form a joint defense plan of the coastline and particularly of Hormuz. Significantly, while Omani envoys toured Arab Gulf capitals late in September, a flotilla of 20 Iranian warships steamed out of Bandar Abbas for what was obviously a muscle-flexing exercise.

The Kuwaiti newspaper *al-Anba* warned: "Local elements, in collaboration with foreign parties, are embarking on a scheme to exploit the region from within."

Shia Moslems

The "local elements" are indigenous Shia Moslems, mesmerized by Ayatollah Khomeini's Islamic revolution across the Gulf. The foreign elements include Iran and, to some extent, the United States.

For some time, the Gulf states have been perturbed by various references to the need of an American "military presence" in the vital Gulf oil fields. While some Arab rulers might personally welcome such an act, officially the idea is being generally condemned as "imperialist interference" in the area's internal affairs.

In this context the Omani initiative for a joint defense policy was not particularly fortunate. While the robed envoys jettied from one Gulf capital to another, the ever-watchful Iraqis announced that Oman was also consulting the United States, Britain, West Germany and even Japan.

Iraq promptly sent a delegation to Kuwait to counter the Omani move. Kuwait, which has a delicate frontier feud with Iraq, fell into step, claiming it was against "military alliances and blocs as they contradict the policy of non-alignment."

Nonetheless, Kuwait has joined the other Gulf states in planning a meeting of defense and foreign ministers tentatively set for later this month. The meeting, officials stressed, would be "free of foreign interference."

Just how the Gulf states, rich in oil but poor in human resources, envisage coping with the defense of the 1,300 miles of coastline remains a mystery. Even Saudi Arabia, increasingly equipped with billions of petrodollars' worth of hardware, feels incapable of being the "gendarme of the Gulf."



Oil refinery at Ahmadi.

—A.B.

Consolidating, Measuring Profits in Era of Monetary Flux

KUWAIT (IHT) — Oil oozes from the buff-colored wasteland, its supply carefully regulated by white-robed men in gleaming air-conditioned offices.

A score of banks and investment companies turn it into ever-rising profits. In the lobbies of luxury hotels, hundreds of entrepreneurs wait for lucrative contracts, nursing dreams of what probably is the most expensive drinking water in the world — from desalination plants.

Kuwait, they say cautiously, "is slowing down." It is consolidating its gains and measuring the distribution and profitability of its wealth in an era of wild monetary fluctuations. There are still contracts galore as the city-states at the head of the steamy Gulf reassess priorities and needs after the euphoric spending which has followed the quadrupling of the price of oil since 1974.

Meanwhile, Kuwait city is mushrooming, spreading into the desolate desert around it. Construction cranes stab into the sky, and new motorways have been added to accommodate the seemingly endless stream of automobiles. Soft music greets travelers arriving at the new airport which resembles a monstrous jumbo jet. Periodically, neat one-family dwellings are handed over to low-income Kuwaitis by the ever watchful rulers of this incongruous super-welfare state.

Prayers

Yes, it is all it is purported to be: wealth, confidence, a shrewdness, careful diplomacy, the policy of "looking for future generations" — all to the wail of the prayers boomed five times a day from modernistic minarets that are garishly illuminated at night.

There is also another face of Kuwait: anxiety about the possibility of a spillover of the Islamic revolution in Iran across the Gulf. The tense watch of Iraq's territorial claims in the Persian Gulf has also imported manpower which dwells the indigenous population, worry about the wobbly course of Arab politics and equally uncertain state of the capitalist world's finances.

The welfare state concept is not equal for all inhabitants and more frequently than not, the elaborate band machine does not perform the way it is meant to. There are social, religious and political tensions in this area, stilled 300 years ago by the Bedouin tribe of Beni Khalid.

From time to time, alarm bells ring about America's

purported intention to establish a military presence in the Gulf oil fields. Although government officials remain discreet, the shrill tone of newspaper editorials reflects considerable unease.

Nonaligned

Formally nonaligned, committed to the Arab cause and yet distant from any direct involvement with Arab militancy, Kuwait's overwhelming desire is to remain master of its own destiny.

For a country with an area of not quite 8,000 square miles and a population of around 1 million, it would be a

Construction cranes

stab into the sky. . . Motorways have been added. . . Soft music greets travelers at the new airport. . .

tall order, virtually a wild dream. But being the owner of one-eighth of the free world's oil reserves assured to last — at the present careful rate of exploitation — another 70 to 100 years, Kuwait can afford to flex its muscles, albeit on world stock exchanges and in international forums.

Presiding over this unusual state is its ruler, Sheikh Jaber al-Ahmed al-Sabah, who has been in power for nearly two years but in effect has held the reins for a dozen years, because of the ill health of his predecessor, Sheikh Sabah.

Despite the country's wealth and the highest per capita income in the world — close to \$12,000 — the ruler's

problems are by no means small. He has to ensure that the prosperity continues, that the profits are equally divided, that the rich merchant class is reasonably satisfied, and that what are known here as "Kuwaiti values" are preserved in the face of the influence of expatriate workers who represent at least 53 percent of the population.

The appeal of Iran is particularly strong among Kuwait's Shia Moslem population, representing roughly 20 percent of the total. Officially, of course, the existence of any sectarian rift is firmly denied. Privately, officials admit that it constitutes an irritant, capable of getting out of hand.

Palestinians

There are also an estimated 300,000 Palestinians, many of whom constitute the backbone of the Kuwaiti administration. Behind virtually every Kuwaiti official there is a Palestinian adviser, manipulating a battery of telephones, carrying out directives, often with considerable leeway. While other nationals can easily be deported when they get out of step, the problem of the Palestinians is much more delicate. They have no homeland to be sent back to.

Kuwait supports what is known as the "Palestinian cause," adheres to last year's Baghdad resolutions condemning the U.S.-engineered Egyptian-Israeli treaty stigmatizing Egypt as an "Arab traitor." It was a decision of considerable importance for a country that believes in moving cautiously and in maintaining Arab unity, often against overwhelming odds.

The Kuwaiti welfare state was conceived for the indigenous population. Consequently only a minority of the country's inhabitants is entitled to the full benefits produced by the oil wealth. Only Kuwaitis can own land, and all business ventures must be at least 51 percent Kuwaiti-owned. Citizenship is granted to precious few — perhaps no more than 50 a year — and only after long and faithful service to the state.

The foreign "expatriates" to some extent benefit from free education and free medical services. But only Kuwaitis are sent abroad on lavish scholarships or for specialized medical treatment.

This selectivity has not deterred foreigners from staying here and seeking the advantages of the staggering salaries which this prosperous country can afford to offer. A monthly income equivalent to \$3,000 is average for

university graduates and goes higher for those skills required by economic prerogatives. True, rents for private housing are high but no more so than in such countries as Egypt or Syria. And income tax is barely 2 percent so that many foreigners who arrive for "a couple of years" find themselves staying on.

Inadequacies

The inadequacies of a system such as Kuwait's have so far not had a destabilizing impact on this closely controlled multinational society.

— all to the wail of the prayers boomed five times a day from modernistic minarets that are garishly illuminated at night.

The supremacy of the native Kuwaiti extends to every walk of life. Although foreigners belong to labor unions, their leadership must be Kuwaiti. Every Kuwaiti citizen is entitled to a job. If he cannot find it in the private sector, he can claim a government position. The result is offices that are filled with men who distribute tiny cups of scented coffee or sweet tea, accompany the drivers of official limousines or push buttons in office elevators — all at salaries that dwarf the pay for comparable jobs in the United States or Western Europe. Some 25 percent of these low-level Kuwaiti government employees are said to be illiterate.

Temporary labor, imported from India, Pakistan and

other less fortunate countries in the area have a different pay scale. For example, unskilled laborers are paid the equivalent of \$20 a day, sleep often 10 to a dingy room, and save as much as they can, often without seeing their families for years.

The political spectrum is limited. The 50-man parliament was dissolved in 1976, when it turned out to be a nuisance rather than a help to those in power. A committee is now at work amending the constitution and restoring the legislature some time next year. At best, it will be another form of controlled democracy.

Ruling Kuwait has been very much the affair of the Sabah family for some 200 years. At this stage, there are no signs that the family nor the system it has installed will be dislodged. Certainly, the establishment is making sure of that. The challenge — if it comes — may be brought about by students working from abroad. There are, at present, some 3,000 young Kuwaitis studying in universities in such diverse countries as the United States, Egypt, Britain and Iraq.

Foreign Ideas

There are even 21 students in the Soviet Union. Starting next year, they will be returning in droves with their foreign degrees — and their foreign ideas. It will be a time of increased concern for the rulers who will have to accommodate their desire for their kind of order with the often contagious ideas of Arab or European socialism.

It is too early to say what impact these young Kuwaitis will have on this country, which is floating on a sea of oil and basically ruled by fiat. Those who returned before dutifully conformed to the system which, so far, has worked to the satisfaction of most inhabitants.

Kuwait is master of its oil wealth, distributes it according to an established formula and has a strong voice in the Arab community. It has enough sophistication to cope with reasonable challenges and grievances. There is no strong, organized opposition challenging the system — today. But in a fast moving world, no country is immune to unexpected trends and unforeseen explosions. The ruling family is perfectly aware of the fact that in this day and age, sitting on billions of barrels of oil is like sitting on dynamite.

—A.B.



Users of Energy Outpace Supply

By Mary Jo McConahay

KUWAIT (IHT) — Projects are underway here to double the country's power-generating capacity within five years, bathe the population in oceans of desalinated water, and divert part of the waters of the Tigris and Euphrates rivers in neighboring Iraq to green the deserts of Kuwait.

This tiny country of 1.2 million already operates a total installed capacity of 2,578 megawatts, but more power is necessary: Kuwait now has the dubious distinction of being the world's third highest per capita consumer of energy, after the United States and Sweden.

The minister of electricity and water has gone on record as deploring waste and saving the usage figure is too large, especially considering there is no heavy local industrial sector, but consumption continues to grow.

Air conditioners are seldom turned off for eight or nine months out of the year, for instance, even when home owners leave the country for vacation. There is little incentive for conservation: like every other government service here, electricity is subsidized so the customer never feels the pinch. Cost per kilowatt hour: .002 dinars.

Air Conditioning

The local power problem is both serious and peculiar. Wildly fluctuating use levels play havoc on a stable system. (Compare this year's peak, which reached 1950 megawatts on September 17, with the low 375 mw in March.) For six months out of the year, 70 percent of generation capacity goes to air conditioning, because what is a luxury elsewhere is generally a necessity for the functioning of this modern desert state.

The government intends to meet growing energy demands with a grand-scale scheme called "Doha West," which will deliver another 2400 mw of power and about 100 million gallons of desalinated water a day by 1984. The project has three major contractors: Deutsche-Babcock of West Germany, which will deliver the boilers, Mitsubishi of Japan for the turbines, and Daewoo of South Korea, which will do the civil works.

The Daewoo award is considered

a turning point here for the Koreans, who until now had been involved in less complex engineering and construction projects. The Koreans wanted the breakthrough badly: Daewoo's bid was 80 percent less than the high bid on the civil works sector.

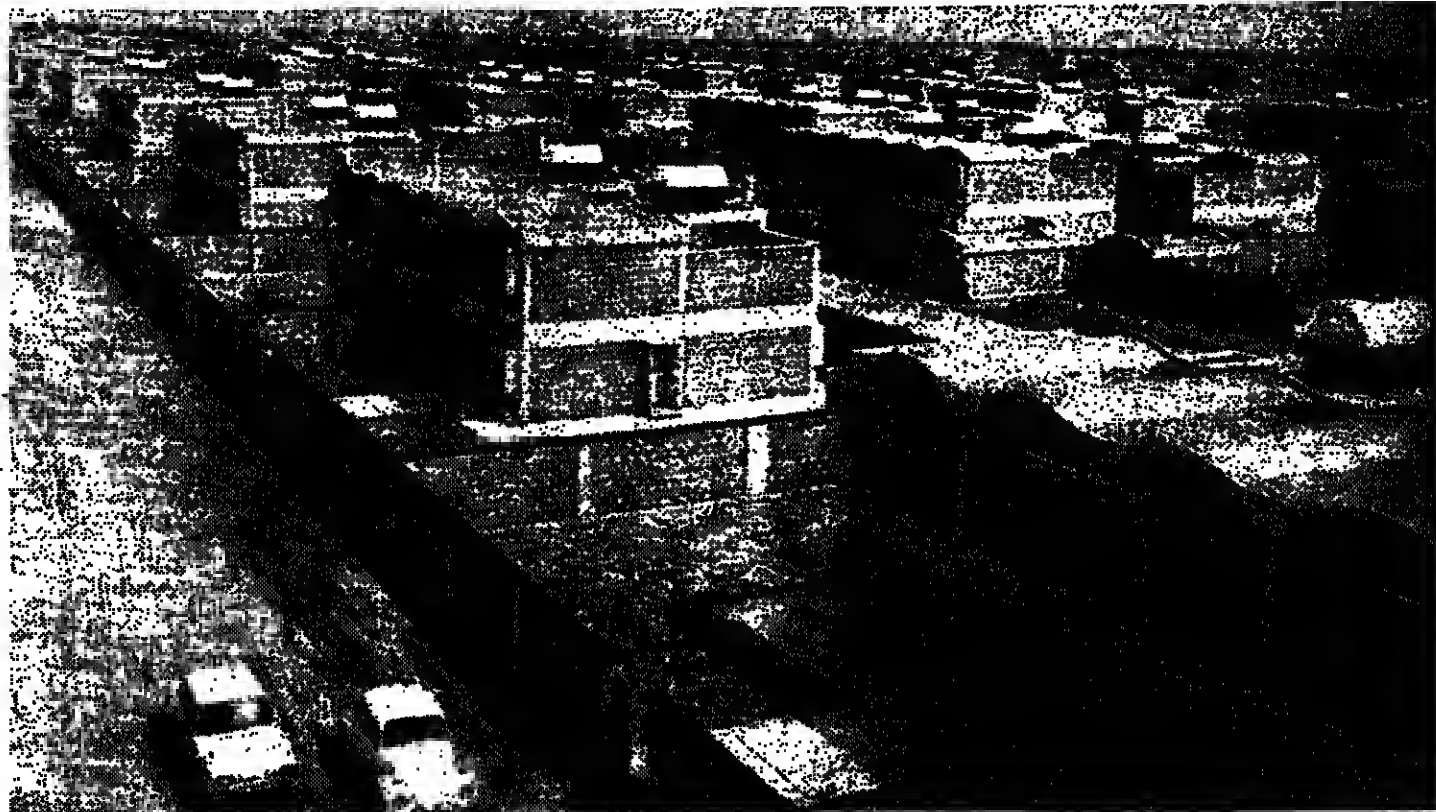
The total cost of Doha West will be at least 240 million dinars, and may carry a \$1 billion tag by the time the last switches are thrown. A source of local pride is the fact that the country's own National Bank of Kuwait is arranging the sophisticated financing packages for both Daewoo and Deutsche-Babcock, prizes won in competition with big-name American and German institutions.

NBK intends to involve all the local banks in the loan syndication, pointing to Doha West as a sign of the increasing capability of Kuwaiti banks to design and underwrite these large and refined development project packages, without the technical or financial involvement of the international banks.

Doha West will produce enormous quantities of water too, putting more distance between Kuwaitis and their traditional struggle against thirst and drought. It was a few brackish wells by the side of a desert harbor that lured the first Bedouin tribes to settle here 300 years ago. But those wells have long since dried up, and even for years after oil was discovered, the precious liquid was brought in by dhows from Iraq and sold from drums carried along the streets.

Today, Kuwait manufactures every drop of its fresh water, and here too the demand is increasing dramatically. The giant desalination plants had to produce a full 332 percent more last year than they did only a decade ago. Manufactured water is so pure that about 10 to 15 percent brackish water must be added to make it taste "normal."

There is another water project on the horizon that could change the face of Kuwait, making genuine agriculture possible in the middle of the desert, turning sand dunes into verdant parkland. In September, the main lines of a plan were finalized to bring water from the Shatt al Arab at a point 300 kilometers away in Iraq.



Middle-income housing development in Kuwait.

New House Considered to Be a Birthright

KUWAIT (IHT) — For citizens of this extraordinarily wealthy welfare state, even a brand new house is assumed to be part of their birthright. Almost a third of the \$16 billion 1977-1981 Five Year Plan is earmarked for construction, and nearly all of that — almost \$4 billion — is being spent by the government to build new houses for Kuwaitis below-cost with long term payments.

The National Housing Authority, set up in 1976 to oversee the gargantuan task, says the goal is to have every Kuwaiti adequately housed by 1985, and from there on to build enough houses each year to accommodate the newly formed families.

The 1985 deadline may be too optimistic. There are still 20,000 "Limited Income Group" (under 400 KD per month income) families who need homes, and there is a waiting list of 8000 "Average Income Group" households. Also, estimates are that at least 5500 new families a year will be formed between now and the end of the century.

At that rate, the NHA will be spending well over \$1 billion annually on new houses until the year 2000.

Now that Kuwaiti expectations of cradle-to-grave welfare have been established, the pressure on government services is great; but progress in the housing sector has been rapid since the NHA took over. From the beginning, the organization was given the kind of authority that allowed it to coordinate infrastructure and build ancillary facilities, such as schools, mosques and shops, along with houses.

This way it has been able to avoid the bureaucratic mess which has afflicted crash programs in other parts of the booming Gulf, where every involved ministry with its own budget and priorities must be coordinated with every other, with the inevitable result that the "rush" is taken out of the project.

NHA Director General Ibrahim M. Al-Shaheen is perhaps most proud of progress toward housing those who might be called the coun-

try's internal immigrants. These are the Bedouin tribespeople who are trading their tents and desert wanderings for the benefits of the new welfare state. In 1977, says Shaheen, 9000 of these families were living in shanties.

Over 5000 "Arabian style" houses — with internal courtyards and separate areas for men and women — are ready now. By the end of the year, the NHA plans to have all the families in government-built residences, and to demolish the shanty towns.

While limited income group housing is the most pressing need, more families are qualifying for "average income" villas every day, and the government cannot build suburban houses fast enough. The NHA proposes to close the gap with high-rise apartment complexes at two sites in Kuwait City and one outside — 4000 units in all.

"Socially, it bothers us," says the American-trained Al-Shaheen, "because our tradition is strong on privacy."

Islamic law and precedent dictate that one person should not be able to see into the abode of another, and that there be separation of the sexes, tenets which are necessarily violated by the design and general comings and goings of modern apartment house living.

Given the decision to build high-rises, the NHA is making the apartments as amenable as possible to local tradition, and suited to the new affluence: all are big — 280 square meters in area — with three bedrooms and a servant's room, separate public (men's) and private (family) areas and women's entrances.

The NHA does not shoulder the entire burden of new housing — the private sector is expected to handle as much as half of the coming requirements. If a family already owns land, they can get an interest-free loan of up to several hundred thousand dollars — on the basis of citizenship — to build their own place.

—M.J.M.

Aid Flow Abroad Tops \$10 Billion

By Andrew Borowicz

KUWAIT (IHT) — Blessed by the immense fortune of its oil reserves, Kuwait is not only working to assure the welfare of its citizens but also that of far-flung countries in need of aid.

Over the past 20 years, loans to developing nations have reached almost \$10 billion. The growth of financial flows to needy countries generally reflected the growth of Kuwaiti prosperity. Today, Kuwait's foreign aid — mainly in the form of low-interest, long-term loans — represents a staggering 5.3 percent of its gross national product.

Recipients of this largesse range from the Mediterranean island of Malta to Burundi in central Africa, from Syria in the Arab heartland to distant Thailand.

The program is motivated by both political considerations and genuine altruism. In recent years, there has been an increase of loans to distant African and Asian countries whose gratitude or political commitment would have comparatively small impact on Kuwait's political situation.

Diplomats and foreign observers generally agree that Kuwait generously wants to share its wealth with less privileged countries. The fact that it helps its popularity and prestige is, obviously, a normal consequence.

There is considerable debate in the country about the best ways of granting loans, with proponents of multilateral aid arguing that direct grants and loans may be interpreted as a means of exerting political pressure.

Nonetheless, so far most of Kuwait's foreign aid has been distributed on a bilateral basis.

This does not preclude Kuwait's active and frequent lending participation in various international and Arab organizations. For example, Kuwait played a major role in setting up the Arab Fund for Economic and Social Development (AFESD), the Arab Bank for Economic Development in Africa (ABEDA), the Islamic Solidarity Fund, the special fund of the Organization of Petroleum Exporting Countries (OPEC), the Special Arab Aid Fund for Africa (SAAFA) and the Arab Monetary Fund (AMF).

It has contributed to the World Bank, the International Monetary Fund, and has been a generous giver to virtually all UN agencies including the UN Children's Fund, UN Relief and Works Agency, the World Health Organization and others.

Channels

The impressive sum total of aid distributed so far has been channeled through three bodies: the Kuwaiti Finance Ministry, the Kuwait Fund for Arab Economic Development (KFAED) and, to a lesser degree, through the General Authority for the Arabian Gulf and South Arabian States. The latter organization deals mainly with the southern Arab emirates, Bahrain, Oman and the two Yemens, and is involved in the financing of schools, training centers, hospitals and other health establishments.

The Ministry of Finance has so far been the largest single giver, simply because it handles some bilateral aid projects as well as funds disbursed to international and mul-

tilateral organizations. However, far the most prominent and eye-catching dispenser of aid is the Kuwait Fund. In many ways it epitomizes the Kuwaiti attitude toward its generous foreign aid program.

Established in December, 1961, the fund's objective was stated simply as "to assist Arab and other developing states in developing their economies." The fund has taken on the arduous task of channeling and streamlining much of the country's aid programs which before its birth had often been haphazard and without concrete guidelines.

The guidelines practiced by the fund are clear. The projects must be viable, financially sound and essential to the economy of the recipient country. Moreover, careful Kuwaitis like the benefactor to participate financially in the venture, thus making sure that there is a waste.

Interest

Interest on loans has ranged from half to 4 percent, 3.5 percent being the average. Generous terms of 10 to 50 years have been given for payment — but practical Kuwaitis have already written off much of this money.

The more spectacular projects include pipelines in Algeria, sugar refineries in the Sudan, agricultural projects in Morocco, port construction in Yemen, a thermal power station in Jordan and highway construction in Syria.

While originally the bulk of the fund's commitment went to Arab countries, in recent years more and more recipients were in non-Arab Africa and in Asia. The projects included road construction in Burundi, Benin and Gambia in Africa, and a hydro-electric project in Thailand.

The KFAED is now handling more and more bilateral aid programs, having developed machinery for analyzing proposals and their practicality. Most Kuwaitis look upon it with considerable pride.

The fund's lending capacity is said to be \$10 billion, although so far less than \$2 billion have been distributed to aid projects in about 50 countries. In the 1977-78 financial year, the fund granted 14 new loans for a total of \$218 million. Eight went to Arab countries, four to African countries and one each to Thailand and Malta.

Although a government agency, the fund has considerable leeway in choosing recipients and in evaluating the soundness of the projects. The prime minister is ex officio chairman of the board and he appoints the other eight members — all Kuwaitis — of recognized competence. The director, in turn, appoints the chairman. There is also a director-general in charge of financial, administrative and technical matters.

The fund's assistance has taken several forms: grants for feasibility studies and personnel training, direct loans and various advisory services. The fund does not grant aid to supplement any country's budgetary needs or to cope with balance of payments problems.

Fund officials do not hide their satisfaction with the achievement. Their organization, they say, "was like a birthday gift to developing nations."

Shipping Revival Sought In Diversification Drive

KUWAIT (IHT) — Kuwaitis were shippers and sea traders long before oil was discovered. Qualified and inspired by long experience, the country is looking to modern shipping — both cargo and oil and gas transport — as a way to diversify its economic base.

Hope of a shipping renaissance is behind the Kuwait-based United Arab Shipping Company, which has the most modern fleet in the world. The average vessel age is three and a half years. Kuwait started it alone in 1965 as the Kuwait Shipping Company, and the fleet grew quickly: in 1974, there were 28 ships, but less than two years later, the existing or on-order fleet totalled 47.

The fleet now numbers 62 ships, and another four South Korean-built container vessels of 1160 TEU capacity each will be delivered by the end of the year. In 1978 the ships carried over 3.5 million freight tons.

The Gulf trade means bringing in equipment and material needed for large infrastructure and industrial construction projects; UASC's ships have been designed or modified for the specialization, including carrying cranes with heavy lifting capacity and extra-wide, long decks.

Gearing Up

Today the company's portside of fleet is gearing up for the \$1 billion Doha West electricity and desalination project in Kuwait, which will demand equipment and supplies from every corner of the globe.

Officers say UASC is "operating on a profit basis internationally," but too much competition and high fuel prices have put at least a temporary damper on the shipping re-

naissance dream. The Gulf is "over-tonnaged," and costs have gone up for all shippers as much as three times without a parallel rise in freight charges. Last year the company lost \$35 million.

To fight losses UASC is teaming up with other international shippers. In June it formed a cooperative group with five European companies — Peninsular and Oriental Steam Navigation Company and Ellerman Strath Container Service of the U.K., Compagnie Maritime Belge, Nedlloyd of Holland and Hansa Line of West Germany — to coordinate the number and schedule of sailings and establish a unified tariff system.

Success

Already, Kuwait shipping sources term the endeavor a success. Discussions are now being held with Far Eastern lines in hopes of coming to a similar agreement to eliminate some of the cut-throat competition in the Orient-Gulf trade.

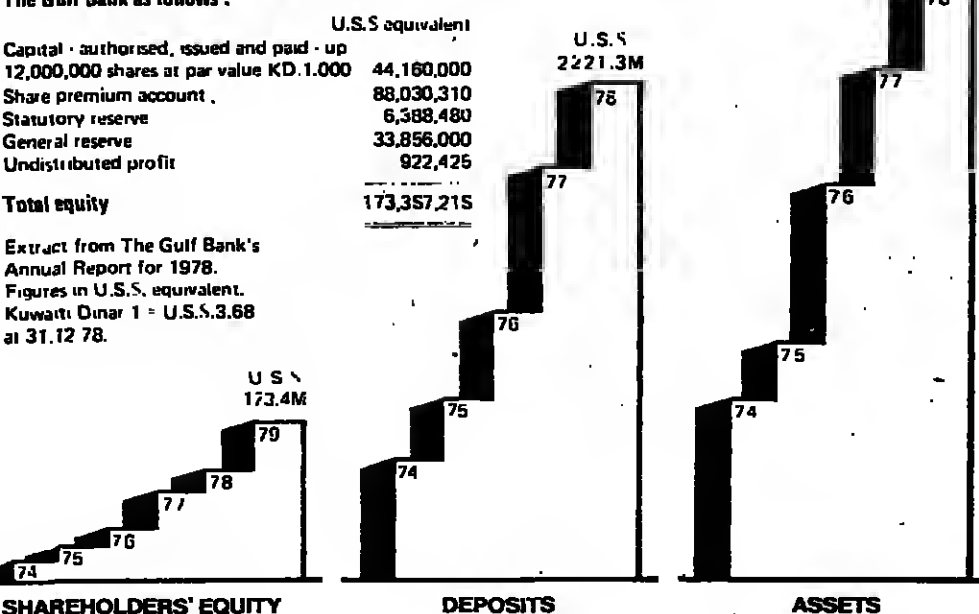
At present, the entire UASC fleet is registered in Kuwait, operating with the excellent local port as a base. As the other shareholders' countries develop maritime laws, however, ships will begin to fly colors of the other countries in proportion to their ownership of UASC.

The first ships will go under Saudi Arabian and UAE flags by the end of the year. Kuwait's tradition as a maritime center, its long-established port and good modern communications have combined with the new regional source of wealth to attract oil transport companies as well. These latter are suffering from the worldwide tanker slump.

1978 ANOTHER YEAR OF GROWTH

SIGNIFICANT CAPITAL STRUCTURE CHANGES IN 1979

The issue of 3,000,000 new shares during 1979 will increase the capital and total equity of The Gulf Bank as follows:



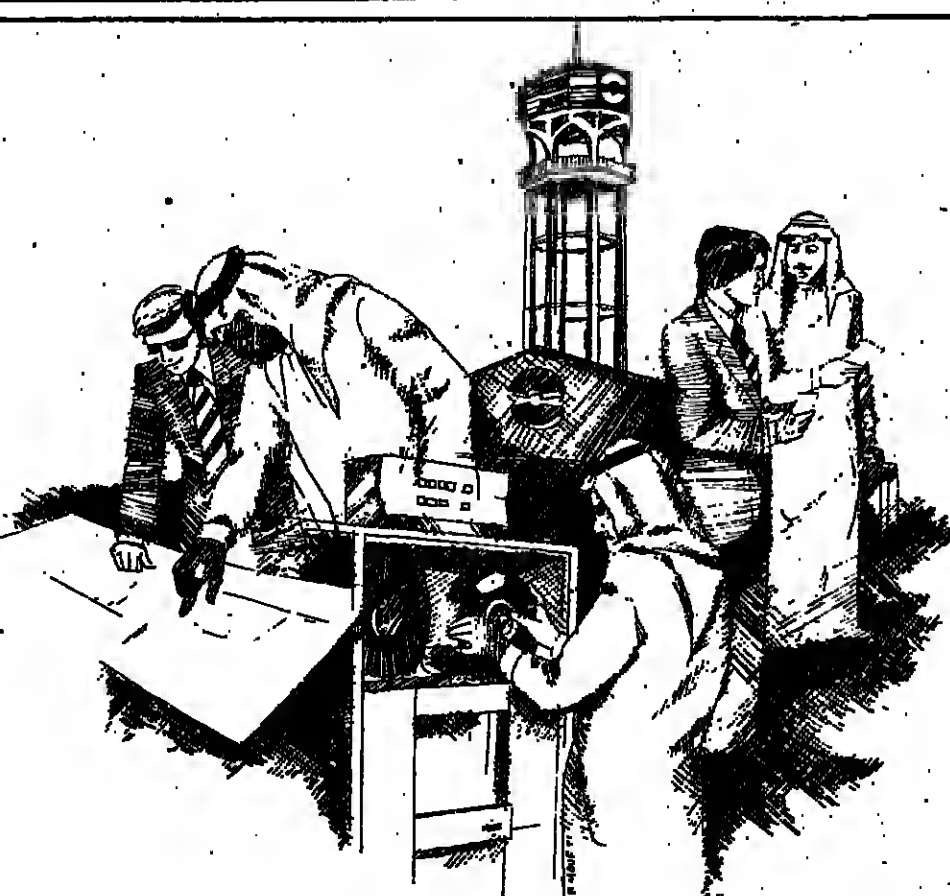
Extract from The Gulf Bank's Annual Report for 1978. Figures in U.S.S. equivalent. Kuwaiti Dinar 1 = U.S.S.3.68 at 31.12.78.



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مكتبة



Small, Defenseless Country Sitting on Billions of Barrels of Oil

By Andrew Borowicz

KUWAIT (HTI) — A small and basically defenseless country sitting on billions of barrels of oil cannot afford enemies. Kuwait's foreign policy more than adequately proves this point.

It is nonaligned and yet indirectly associated with the Western powers through its reliance on pro-Western Saudi Arabia and huge investments in the West.

Basically conservative at home, Kuwait has frequently supported "progressive" Arab resolutions in various international forums. It is dedicated to what is known as the "Palestinian Cause," but this dedication has been mainly limited to generous fund-giving.

Kuwait's record of foreign assistance is virtually without parallel for a country still classified as developing. Whatever the motives, the giving of loans and grants has been basically apolitical. They have been distributed in an amazingly even-handed way.

Neighbors

The countries that have benefited over the years represent various political systems and often include hostile neighbors: Yemen and Southern Yemen, Morocco and Algeria, India, Pakistan and Bangladesh, Thailand and Vietnam. Consequently, Kuwait has created a solid foundation of goodwill throughout the world — to the tune of close to 10 billion petrodollars.

Kuwait fears the Iranian-type Islamic revolution, but officially professes friendship with that turmoil-swept country across the Gulf.

"What is happening in Iran is Iran's own affair," said Rashid al-Rashid, undersecretary for foreign affairs. "We maintain good and cordial relations. Iran has continuously and officially renounced the role of policeman in the Gulf area. As far as we are concerned, that is satisfactory."

Yet Kuwait did not hesitate to clamp down when local Shia Muslims staged a minor riot. The Shias — akin to the vast majority of Iran's population — represent some 20 percent of Kuwait's 1,200,000 people.

'Our planet is so small. The superpowers have the means of blowing it up. So let us be human, let us get together and not abuse God's gifts.'

A Shia religious leader was promptly stripped of Kuwaiti citizenship and deported, together with 18 members of his family. He was Hajjatoleslam Haj Seyyed Abbas Mohri, for some time considered the personal representative of Iran's Ayatollah Khomeini.

The Iranian newspaper Islamic Republic complained: "Such hasty action was not expected from a Moslem country."

Those who are familiar with Kuwait believe the contrary. Kuwait's foreign policy may at times seem wobbly but it follows a determined pattern. And as far as internal security is concerned, Kuwait is not prepared to take chances. Consequently, there was nothing hasty about the expulsion.

Another illustration of Kuwait's handling of its foreign affairs is its relationship with Iraq, by any standards a powerful neighbor along the northern border.

For some time Iraq has claimed parts of Kuwaiti territory, particularly two key off-shore islands, Bubiyan and Warba. The islands control access to Kuwait City and, consequently, giving them up would be tantamount to opening the country to an easy strangulation in the event of hostilities.

But for the past two years Kuwait has succeeded in appeasing Iraq on many issues. It has adhered to the resolutions of the 1978 Baghdad meeting condemning the Egyptian-Israeli peace treaty, has contributed funds to the Arab "steadfastness front" and most recently followed Iraq's lead in rejecting an Omani plan for a joint Gulf defense force.

The rejection was not prompted

by Kuwait's opposition per se to such a plan. It is known that Oman, one of the few Arab countries supporting the Egyptian-Israeli peace moves, has consulted such Western powers as the United States, West Germany and Britain about financing the defense of the strategic Strait of Hormuz.

Considering the much-publicized statements about the need for an American military presence in the Gulf, Kuwait had no choice but to follow Iraq's attack on the Omani initiative as an "imperialist plot."

The Kuwaiti statement was, as usual, much less strident. The de-

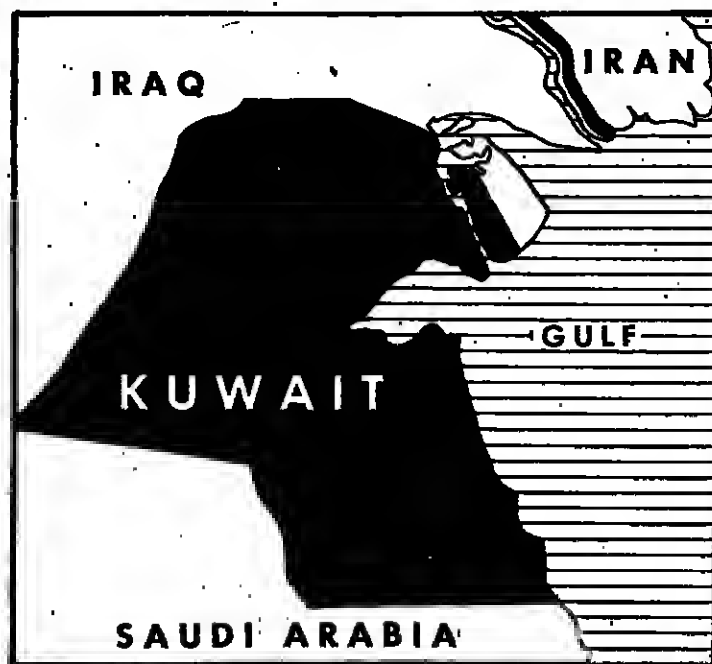
fense minister and acting foreign minister Sheikh Salem al-Sabah said:

"We are against any form of foreign interference in the region. Such an alliance could cause more harm than good."

This view was reflected by Mr. al-Rashid: "They talk about a task force of 100,000 American troops," he said. "What could these troops do? Take over our oilfields and pipelines? But people driving away from such an invasion could simply damage the pipelines with their cars! And there would be no more oil. Where is the sense?"

"Our planet is so small. The superpowers have the means of blowing it up. So let us be human, let us get together and not abuse God's gifts."

Oil happens to be one of God's gifts in abundance in Kuwait. It has allowed the country to reach unparalleled prosperity — and by the same token attracted much international attention. It is not a particularly comfortable situation but so far Kuwait has managed to skillfully maneuver between conflicting trends and ideologies.



Satellite telecommunication station at Umm al-Arish.



Alahli Bank of Kuwait

Our name is unusual so is our growth rate

Total balance-sheet, end 1968: KD. 78,222,000
Total balance-sheet, end 1978: KD. 826,564,000

Not many banks can boast such a growth rate. Over these ten years, the Alahli Bank of Kuwait has acquired a reputation for excellent service to international contractors operating in Kuwait and in the surrounding area.

Over these ten years, it has become the best known commercial bank in the Middle East for the underwriting of Eurobond issues.

In the next ten years, the Alahli Bank of Kuwait will keep on growing... because it will keep trying to serve you better in the Middle East.

Alahli Bank of Kuwait
We deserve your confidence

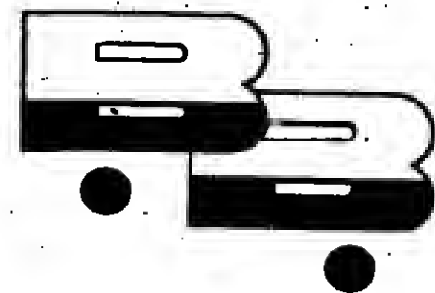
Alahli Bank of Kuwait P.O. Box 1387 Kuwait - Telex 2067 Ahlibank - Cables Ahlibank

Why Burgan Bank Is Called The Growth Bank of Kuwait

Here are the facts of the first year of full operation 1978:

Profit doubled to:	KD 1,415,080 (US \$ 5,192,001)
Total balance sheet increase by 57% to:	KD 276,748,555 (US \$1,015,404,715)
	KD 12,036,258 (US \$44,161,651)

That's Why



BURGAN BANK S.A.K.

P.O. Box: 5389 Safat Kuwait-Tel: 417100 (9 Lines) Telex: 2730-2767-3105-3309

of Saudi Arabia's Building Orgy: Billions to Secure the Future

by Youssef M. Ibrahim

SAHRAH, Saudi Arabia. — The eastern province of Saudi Arabia, beneath which lies the country's oil, has been turned into a giant construction site.

Temperatures up to 115 degrees Fahrenheit, an army of men in driving tracks, operating cranes, moving mountains of earth, installing miles of pipelines, and what a South Korean engineer in the nearby town of Dammam called "a building orgy."

There have been recovering nations in Saudi Arabia since but this program is in a class of its own, said Ed Browne, a former of the policy and planning on government affairs at the American Oil Co. in an interview in his office at the company's sprawling, air-conditioned quarters here.

A country, seeking to diversify away from the next decade, is pushing ahead on a multi-billion dollar development program which Aramco is orchestrating. Industry sources agree that the program, more than half completed, is the largest and most complicated project ever carried out by an oil industry.

The three-pronged, highly integrated program will cost from \$30 billion to \$40 billion by 1985 and will be much more by the end of the decade, sources here say. It is meant to develop fuel and electricity for an array of industries, including half a dozen petrochemical plants, steel and aluminum mills, and an assortment of light and medium industries.

45,000 Workers

The major effort is an enormous gas-gathering project. By 1982 it will collect and process about 4 billion cubic feet of gas a day for fuel and power generation for Saudi industry as well as for export. Nearly all of Saudi Arabia's gas is now being flared as it comes out of the oil fields along with the 9.5 million barrels of crude that the rich kingdom pumps every day.

Aramco officials say the construction will employ 45,000 workers and more than 150 contractors. Among the major U.S. engineering companies involved are the Fluor Corp., Foster Wheeler, Ralph M. Parsons, and Santa Fe International. Aramco says half the work force is already in Saudi Arabia.

The Aramco compound, which resembles a small California town transplanted to this sparse desert landscape, is equipped with its own television station, post office, supermarket, hospital, schools and hotels. The compound is dotted with palm trees and has manicured lawns fringed by neatly painted houses and impeccably paved little streets.

As a spin-off of the gas-gathering

project, the Saudis are also building a 70-mile pipeline for liquefied natural gas across one of the harshest deserts in the world, from the eastern province west to a budding industrial complex in Yanbu on the Red Sea.

Parallel to that gas line, a pipeline capable of carrying 1.85 million barrels of crude a day is also being built. It will enable Saudi Arabia to export some of its oil by the Red Sea. The idea, Saudi officials say, is to decrease the volume of Saudi oil being shipped from the east coast on the Gulf, through the narrow Strait of Hormuz. There are doubts about the safety of that route.

The two projects, and the industrial complexes they are meant to support — both in Yanbu on the Red Sea and in Jubail on the Gulf — will be supplemented with an electric grid running along the east coast. By 1984, the grid will deliver more than 5,000 megawatts to the new industries of Jubail, to the main cities of the region, including the Saudi capital, Riyadh, and to dozens of towns and villages that are now without electricity.

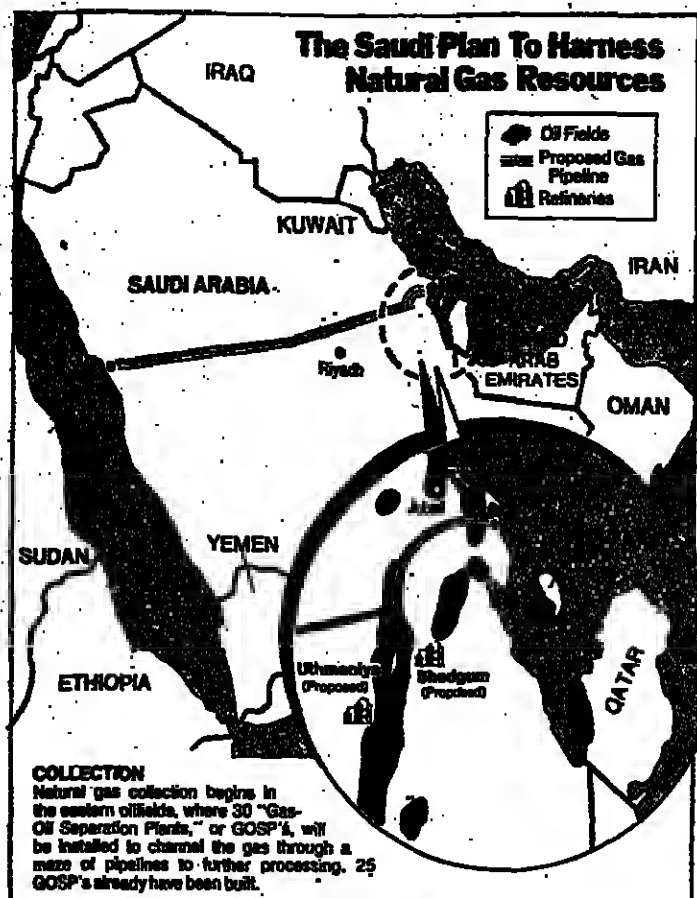
Desalination Plants

The power will come from dozens of fuel-fired generating stations, as well as from desalination stations that will also supply the Saudis with water.

There are no readily available figures on how much the entire venture will cost. Wary about the toll that inflation has taken on many of their projects, the Saudis have ordered the various companies working on these intertwined projects not to divulge cost figures.

But the financial size of the venture can be gleaned from the ballooning expenses of the gas project. In 1975, when the Saudi gas-gathering project was assigned to Aramco, a cost estimate of \$4.5 billion was placed on that project alone based on a study by the Texas Eastern Transmission Corp. of Houston.

Now, according to Abdul Hadi Taher, governor of the General Petroleum and Mining Organization



COLLECTION

Natural gas collection begins in the eastern province. About 30 "Gas-Oil Separation Plants," or GOSP's, will be installed to channel the gas through a maze of pipelines to further processing. 25 GOSP's already have been built.

PROCESSING

The processing will be completed at three major plants in the eastern province: Bani (already on stream), Shuqba and Uthmaniyah. The gas is treated to remove hydrogen sulfide and carbon dioxide, yielding methane, which will provide fuel for Saudi industries planned for Jubail (on the east coast) and Yanbu (on the Red Sea). Some natural gas liquids, or NGL's, will be produced as well, some for export.

FRACTIONATION

NGL's from the Bani plant will be sent to Ras Tanura, Saudi Arabia's giant crude shipment station, where it will undergo fractionation — breaking down the gas into ethane, propane, butane and natural gasoline through controlled vaporization and condensation. Part of the Bani gas and the Shuqba and Uthmaniyah plants are to be piped — through a planned 750-mile buried pipeline — to another fractionation plant/export terminal to be built at Yanbu. The Saudis plan to export 80 percent of the gas collected.

Source: Saudi Arabian Basic Industries Corporation

— the executive arm of the Saudi Ministry of Petroleum, known as Petromin — the gas-gathering project might cost \$12 billion by the time it is finished in two years. Industry sources here say the final price is more likely to be \$16 billion to \$20 billion.

Billions more are being spent on water desalination stations, on power-generating stations, on miles of pipelines to carry water and oil from one end of the country to the other, and on the importing of skilled labor to build it all.

The Saudis say cost is not their major consideration. "What we want is that infrastructure and a fertile ground to train our people to take charge of their future," a senior Saudi oil official said here. "If it takes that much money to do it, we can only say, 'Thank God, we've got it.'"

Oil Embargo Inflationary

'Iran Shock' Seen Propping U.S. Rates

By John H. Allan

NEW YORK, Nov. 19 (NYT) — Iran's threat to withdraw deposits from U.S. banks and Washington's decision to freeze Iranian financial assets will make it more difficult for interest rates to decline.

That is the reasoned conclusion that some money market analysts have reached after studying the Iran problem, a situation so complex that the credit markets have focused on other things simply because they did not know how to interpret the moves by Tehran and Washington.

"It will now be somewhat more attractive to leave oil in the ground rather than to exchange it for 'freezable paper,'" William Gibson of Smith Barney, Harris Upham & Co. said as he analyzed the money-market impact of the Iran problem. "This is not good news for oil production. It is also not good news for inflation."

The real impact of last week's actions will perhaps take years to unfold, Mr. Gibson said. "We shall have to see what kinds of fears freezing the funds generates" in other members of the Organization of Petroleum Exporting Countries. There is no getting around the fact, he warned, that "in doing the unthinkable, the United States has made holding dollars less attractive than before."

Bundesbank Rings Alarm On World Role of D-Mark

FRANKFURT, Nov. 19 (AP-DJ) — The Bundesbank said today that it sees dangers in the growing reserve role of the Deutsche mark. It affirmed that the dollar must continue as the world's leading currency, with a substitution account of special drawing rights giving some relief from the pressure of the dollar's global function.

In its monthly report for November, the Bundesbank says that at the end of 1978, mark accounts were about 11 percent of the world's reserve currency holdings, or 50 billion DM, up from 23.8 billion DM or 7.6 percent in 1974.

Dollar holdings accounted for about 80 percent of reserves. The mark, although far behind the dollar, is the world's second most important reserve currency, the Bundesbank observed.

The central bank said that mark holdings of foreign monetary authorities in the Bundesbank grew to 13.5 billion DM in mid-1979 from 2 billion DM in mid-1975. Mark holdings of foreign monetary authorities in other forms of accounts and investments add around 6 billion DM to this figure, it said.

Threat to Stability

The monthly report cites a sharp increase in foreign private holdings of marks and varieties of mark-denominated money market paper as potentially dangerous for the currency's stability. Foreign accounts in West German banks amounted to around 185 billion DM in mid-1979, it said, nearly double the amount on deposit in 1975.

At the end of 1978, about 150 billion DM in mark deposits were held by foreigners in accounts outside West Germany, and 80 percent of mark-denominated Eurobonds were also in foreign hands. These holdings, like the official reserves, are a potential threat to the mark's stability at the same time as a sign of the confidence of foreign investors and multinational corporations.

Uncontrolled growth of the mark's reserve role would not be a positive contribution to an orderly world monetary system, nor would the unplanned emergence of a system of several currencies, the Bundesbank said. There is the risk of more foreign exchange turbulence and "uncontrolled" growth of worldwide liquidity.

Mark's Strength

At the end of 1978, the latest date for which figures are available, about 30.7 billion DM were believed to be held in mark Eurodeposits outside West Germany and in other accounts abroad, it said.

It gave strength as the main reason for the growing role of the mark in foreign countries' reserves. It cited a 1977 study by the International Monetary Fund of 76 central banks showing that the main factor in placing reserve holdings was the strength and stability of the currency on the foreign exchange.

The Bundesbank observed, however, that the increasing role of the mark in reserves did not come at the expense of the dollar, but seemed to be a case of the mark edging out sterling. The pound accounted for only 2 percent of reserve holdings at the end of 1978, down from 10 percent in 1970.

The main danger of the mark's growing reserve role is distorted revaluation because of high demand,

Dollar's Decline Deepens

LONDON, Nov. 19 (AP-DJ) — Sterling gained sharply against the dollar today as the dollar plunged against other major currencies in a repeat of Friday's pattern.

Gold was unchanged from its late Friday levels, closing at \$390.50 an ounce. At the London morning fixing it was set at \$390 an ounce, but it slipped to \$389.85 at the afternoon fixing, before rising to close unchanged.

Foreign exchange dealers said there was nothing new affecting movements of either the dollar or sterling. The dollar still was suffering from worries over the U.S.-Iranian dispute and the possibility that the Organization of Petroleum Exporting Countries will decide sharp oil price rises next month.

Sterling's firmness was seen as a growing reaction to the relative attractiveness of British interest rates, judging by the strong performance of British government bonds today. The dollar had opened firm in

European trading, but within minutes it dropped sharply against all other major currencies. At the time, European dealers said the Iranian situation was the cause.

Another dealer suggested, however, that many commercial accounts had been squared before the weekend, and that "if you're going to sell dollars (short), Mondays are a good time to do it."

The dollar fell to 1.7650 Deutsche marks shortly after the opening in London, from 1.77515 at the opening, to 1.6455 Swiss francs from 1.6505; to 4.15125 French francs from 4.1625, and to 245.65 yen from 245.80. Throughout the rest of the day the dollar showed a mixed performance, although it slipped markedly against the French franc, being quoted at 4.14125 by noon.

By late afternoon the dollar had dropped to 1.7615 DM compared with 1.77725 late Friday; to 1.6445 Swiss francs compared to 1.64825;

to 4.1355 French francs compared to 4.1625; to 245.10 yen compared to 246.40, and to \$Can.1.1805 compared to \$Can.1.1817.

Sterling opened at \$2.1690 and soon rose to \$2.1790. By noon it had risen to \$2.18425. It gained further to \$2.1855 by late afternoon, compared with a late Friday level of \$2.1592.

Gold trading was fairly quiet, trading dealers said. Some demand appeared early in the day on the news that Iran had urged other oil producers also to reject dollars as a payment medium for oil, but interest faded away in thin trading, leaving the market dull during the afternoon and the rest of the day, a bullion dealer said.

Fixed-rate Eurodollar bond and note prices were generally marked down by a quarter point earlier today, with dealers citing pronounced weakness of the dollar.

Bond trading was described as very light. Dealers said that uncertainty would probably deter investors from either buying or selling.

Eurodollar deposit rates were higher, but there were no indications that the U.S. freeze on Iranian deposits was causing distortions. The one-month rate moved up to 15.06 percent offered from 14.63 percent Friday, while the three-month rate remained unchanged at 15.44 percent offered.

In other market sectors, Eurosterling bond prices rose by about two points because of sterling's strength and the historically high yields obtainable for these issues.

Big Board Up Narrowly; Housing Starts Off 7.9%

NEW YORK, Nov. 19 — New York Stock Exchange prices gained narrowly today in active trading despite investor nervousness about Iran.

The Dow Jones industrial average lost 0.43 to 815.27 but advanced late declines 796 to 666 and the NYSE index gained as turnover expanded to 33.22 million shares.

The Commerce Department reported that private U.S. housing starts fell a seasonally adjusted 7.9 percent in October to an annual rate of 1.76 million units following a gain of 6.6 percent in September.

troubles. The exchange's computer price-reporting system broke down after about two hours of trading. Under an emergency closing procedure, trading reopened for five minutes around the normal closing time and closed using a manual price reporting system.

Solomon Staying at U.S. Treasury To Work on Substitution Account

By Hobart Rowen

WASHINGTON, Nov. 19 (WP) — Anthony Solomon, undersecretary of the Treasury for monetary affairs, who earlier planned to resign around the end of the year, has decided to stay at his job to help conclude work on the substitution account.

The substitution account is a proposal by which countries holding dollars could trade them into the IMF for a newly created asset priced at a special drawing right. The hope is that pressure would thus be taken off the dollar, and greater weight would accrue to SDRs as the center of the international monetary system.

White House officials say Mr. Solomon has been persuaded that the highly technical negotiations he now is conducting with other countries would be seriously delayed if someone else had to take over. Mr. Solomon has agreed to stay on until "it becomes clear that there is a successful breakthrough in the negotiations," a source said.

This could take a year or more. An effort to get an agreement in principle on the substitution account failed at the IMF's annual meeting in Belgrade last month. Efforts now are concentrated on a session of the IMF's Interim Committee in Hamburg late in April.

The substitution account idea was revived earlier this year by IMF Managing Director Jacques de Larosiere. The United States had previously resisted the proposal, viewing it as a concession of dollar weakness. But, since the proposal is cast as a way of gradually removing some of the pressure on the dollar as a reserve currency, the U.S. shifted its position, and now has become a strong advocate of the substitution account, if certain conditions are met.

Chief among these is an understanding that other countries would share with the United States the burden of any exchange rate risks that are involved.

The coolness shown, toward the idea by other countries in Belgrade was based in part on fear that the substitution account would be used as an excuse by the United States to avoid stricter conventional methods to control inflation. That concern has been largely dispelled by the new Federal Reserve Board monetary policy put in place Oct. 6, just after the Belgrade meeting.

W. Germany Expects U.S. Imports to Slow

MUNICH, Nov. 19 (AP-DJ) — Trade between the United States and West Germany will slow sharply in 1980 due to slowdowns in both economies, the IFO institute for economic research says in a recent report. U.S. recessionary tendencies, more severe than here, are expected to curtail U.S. imports of West German products sharply.

The report said that West German exports to the United States increased only 5.5 percent in the first ten months of this year over the year-earlier period, West German imports of U.S. products in the first ten months rose 18 percent. Room is seen for growth in West German imports of U.S. products, although the rate of growth will slow, and this should allow the United States to achieve a trade surplus with West Germany.

News and Notes

Japanese industrial plants have been agreed with the U.S. on a contract to jointly develop a low-noise, fuel-efficient engine for 130-seat, medium-range jetliners. Kawasaki Industries says the \$570-million joint project is to be capitalized by the British-owned company, and the Japanese, which includes Mitsubishi Heavy Industries, the Japanese Airlines will design such plants as the engine, turbine, and Rolls-Royce will be responsible for the development of the high-pressure turbine burner. Production is scheduled to start in 1987. The engine will sign the contract after further negotiations with Rolls-Royce. The contract also called for the four not to develop an engine close to design to the model previously developed by the three Japanese makers, Kawasaki.

Oilwell will pay a dividend for 1979 but has not decided on the amount, say Carlo De Benedetti, chief executive officer. The Italian oil equipment and data processing group will have to lay off at least 4,500 workers in Italy starting in January to increase productivity and earnings in 1980, after laying off over 7,000 employees worldwide since 1978, he adds. Mr. De Benedetti also says the group will start producing some of its products for export in Japan, where it presently has only a sales and service organization. It hopes to expand typewriter production in Brazil, and plans to shift future production to Spain. "I see problems coming," he remarked, referring to wages in Spain.

Boeing is concerned that Australian subcontractors may be unable to meet their commitments to produce aircraft parts for its 757 aircraft if they take on additional subcontracting work for Airbus Industrie. "We know that they're up against some very tight schedules" in their subcontracting work for Boeing, says Thomas Riedinger, marketing communications director for Boeing Commercial Airplane. "If they were to take on some additional aircraft component work, we would have to review our contracts to see if they could meet our schedules while taking on that other work." The Australian aerospace industry, which includes Hawker de Havilland Aviation and the Australian government's aerospace operation, has done about \$120 million in subcontract work for Boeing's 727 and 747 aircraft from 1971 to the present, Mr. Riedinger notes. In addition, Australian subcontractors had just won a contract to supply aircraft parts for Boeing's 757 program. Mr. Riedinger says the issue arose when Trans Australia Airways, the government's domestic airline, placed a refundable deposit on an A300 Airbus, made by the European consortium. He says the Australians make it a condition of purchase that they be allowed to bid on subcontracting work for the aircraft. However, he denies that Boeing required any linkage connecting purchase of its aircraft with selection of its subcontractors.

Panarelli Oil's President Charles Hetherington says 60 trillion cubic feet of natural gas may be developed in the Canadian Arctic Islands in the next 10 to 15 years. He notes that this would double the existing reserves in southern Canada. Mr. Hetherington says that Panarelli has barely scratched the surface of the Arctic Islands in the last 11 years, but 16 trillion cubic feet of reserves have already been identified. The Arctic Islands sedimentary basin is larger than Alberta and British Columbia combined, he says.

Dow Chemical plans to build a phenol plant in Western Europe as part of its effort to integrate further its chemical manufacturing there. Dow says the plant is scheduled to open in 1983. It does not give the unit's expected cost or size, except to say that it will be "of world-scale capacity." It is studying whether to build the unit near one of its installations at Tencate, the Netherlands, or Stade, West Germany.

IASF expects 1979 would result in improved earnings on 1978 levels, with turnover rising 20 percent and earnings also up considerably. The company declines to give details. IASF earlier this year announced its first-half world gross pretax profit rose to \$47 million from \$36 million in 1978. IASF had a turnover of 12.57 billion DM against 10.63 billion DM a year earlier.

British companies which export oil products or services to eastern Europe will have to improve delivery terms if they are to increase their penetration of markets in the area, according to a recent survey carried out by the Council of British Chambers of Commerce in continental Europe. The survey of 588 companies in France, West Germany, Greece, Italy, Spain and Switzerland found that the factor cited most often — 16.3 percent of replies — being responsible for holding back the growth of sales of British goods or services was long, late or erratic delivery. This was a major reason for insufficient sales growth in the four European countries. Community countries came second in the two other markets. Especially hard hit by delivery problems were imports of electrical and mechanical engineering products and miscellaneous manufactured articles, the survey found. Second in importance were suppliers' prices, 13.8 percent, followed by inadequate promotional support and backup service of suppliers, 9.1 percent. Considerations were considered the most important drawback in Greece, and companies in east Germany, Italy and Spain so said they were a major limiting factor. French companies complained most strongly over a lack of suppliers' support, and in most countries imports of British manufacturers of engineering products were mainly blamed in this respect.

SEUL, Nov. 19 (AP-DJ) — The Finance Ministry says a record deficit of \$4.7 billion for South Korea's current account in 1980, compared with an expected \$3.3-billion deficit this year. The ministry blames growing bills for oil and other imports.

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NORTHWESTERN NATIONAL BANK OF MINNEAPOLIS

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59 Avenue Marceau
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CANADIAN AMERICAN SECURITIES LTD.

to engage in the trading of
international fixed income securities

We are also pleased to announce that
Mr Alessandro Carboni has joined the bank
and will be responsible for these activities

Luxembourg—November 1979.

NYSE Nationwide Trading Closing Prices Nov. 19

Tables include the nationwide prices up to the closing on Wall Street.

12 Month	High	Low	Open	Close	Prev	12 Month	High	Low	Open	Close	Prev
Stock	Yld.	P/E	High	Low	Quot.	Stock	Yld.	P/E	High	Low	Quot.
(Continued from Page 8)											
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44 3/4 Laramie 1.26	12	15	11 1/2	11 1/2	11 1/2	60 3/4 65 1/2 Mott 1.10	62	40	38 1/2	42 1/2	42 1/2
45 3/4 Laramie 1.26	12	15	11 1/2	11 1/2	11 1/2	61 3/4 66 1/2 Mott 1.10	63	41	39 1/2	43 1/2	43 1/2
46 3/4 Laramie 1.26	12	15	11 1/2	11 1/2	11 1/2	62 3/4 67 1/2 Mott 1.10	64	42	40 1/2	44 1/2	44 1/2
47 3/4 Laramie 1.26	12	15	11 1/2	11 1/2	11 1/2	63 3/4 68 1/2 Mott 1.10	65	43	41 1/2	45 1/2	45 1/2
48 3/4 Laramie 1.26	12	15	11 1/2	11 1/2	11 1/2	64 3/4 69 1/2 Mott 1.10	66	44	42 1/2	46 1/2	46 1/2
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81 3/4 Laramie 1.26	12	15	11 1/2	11 1/2	11 1/2	97 3/4 102 1/2 Mott 1.10	99	77	75 1/2	79 1/2	79 1/2
82 3/4 Laramie 1.26	12	15	11 1/2	11 1/2	11 1/2	98 3/4 103 1/2 Mott 1.10	100	78	76 1/2	80 1/2	80 1/2

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103 3/4 Laramie 1.26	12	15	11 1/2	11 1/2	11 1/2	103 3/4 Laramie 1.26	12	15	11 1/2	11 1/2	11 1/2
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107 3/4 Laramie 1.26	12	15	11 1/2	11 1/2	11 1/2	107 3/4 Laramie 1.26	12	15	11 1/2	11 1/2	11 1/2
108 3/4 Laramie 1.26	12	15	11 1/2	11 1/2	11 1/2	108 3/4 Laramie 1.26	12	15	11 1/2	11 1/2	11 1/2
109 3/4 Laramie 1.26	12	15	11 1/2	11 1/2	11 1/2	109 3/4 Laramie 1.26	12	15	11 1/2	11 1/2	11 1/2
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112 3/4 Laramie 1.26	12	15	11 1/2	11 1/2	11 1/2	1					

Rally Seen Soon for Stocks, But Longer Outlook Gloom

billions in mutual funds and prime accounts, concludes that "stocks are probably undervalued, but not to such a degree that one can take cyclical risk in the market." He is maintaining "a maximum defense investment strategy."

Bounce Possible

The way the market behaved the face of the Iranian turmoil and other developments helped persuade Vincent Agnew, senior portfolio manager at Chicago Life Trust Co., that "we could see a bounce in stock prices over the next couple of months." He thinks the market "has taken its lumps for a while and does not have much to offer at current levels, but we could see a pullback" after a 50-point rise in the Dow Jones industrial average.

Uncertainty has increased as a result of the election in Poland, he says. "We're looking for a severe recession than we had expected three months ago."

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MADRID, YUGO ATTRACTIVE
KAS 457 26 99
ZONE OF LONDON
Kas further: 01-579 6444.
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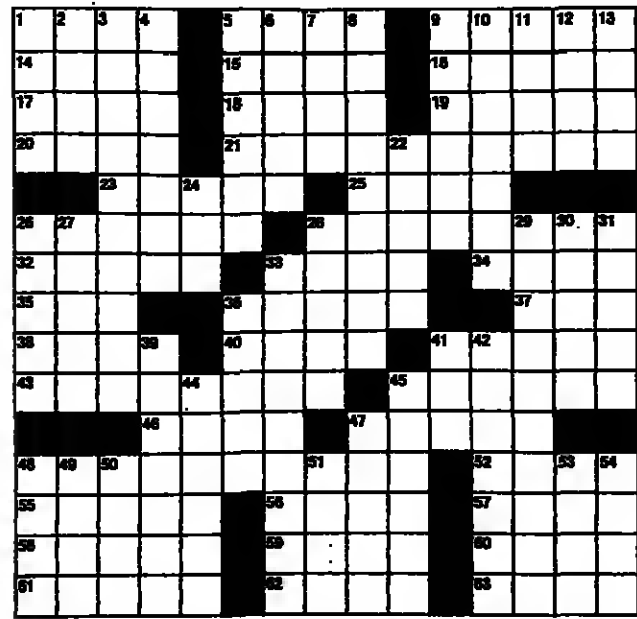
The basic rate is \$7.20 per line per day for 25 letters, signs and numbers and 36 in the following lines.

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SWITZERLAND: Morfha
 and Son Man Thurn, Ltd.
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 le-Lac, Suisse, Tel. 8211 25-25
 U.S.A.: Sunley O'Mara, Associa-
 te Herald Tribune, 444 Madison
 Ave., New York 10022, Tel.
 (212) 573-3961
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 92160 Nanterre, France, Tel. 742-
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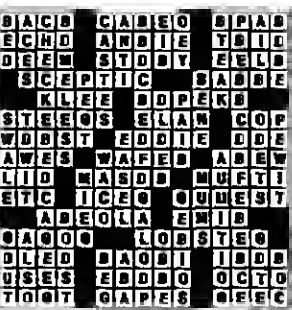
حیات از احوال

CROSSWORD By Eugene T. Maleska



- ACROSS**
- 1 Doll's cry
 - 2 Diamond covering
 - 3 Good loser
 - 4 Sympic
 - 5 Concept
 - 6 Small drum
 - 7 Easy win
 - 8 Soup
 - 9 vegetables
 - 10 Maine
 - 11 university
 - 12 Motor oil
 - 13 Buddy-buddy
 - 14 Oxford
 - 15 University college
 - 16 "no more, my lady"
 - 17 Mean
 - 18 Boil down
 - 19 Stir up
 - 20 Quarterback
 - 21 Jones
 - 22 Toodle-oo
 - 23 Gypsy husband
 - 24 Meir
 - 25 Sherrill
 - 26 Milnes's milieu
 - 27 White vestments
- DOWN**
- 1 Hole puncher
 - 2 Saunter
 - 3 Brazilian city or state
 - 4 Assassin
 - 5 Sheridan and Blyth
 - 6 Becky of "Vanity Fair"
 - 7 Arragant
 - 8 Long cut
 - 9 Poetic Muse
 - 10 Combining form for 31
 - 11 Down
 - 12 Honor's "Help!"
 - 13 Red Sea republic
 - 14 Baseball's Slaughter
 - 15 Kind of ski lift
 - 16 Temperate, in Troyes
 - 17 Poetic Muse
 - 18 Combining form for 31
 - 19 Down
 - 20 Highly valued fertilizer
 - 21 Felipe, Matty or Jesus
 - 22 Gibberish

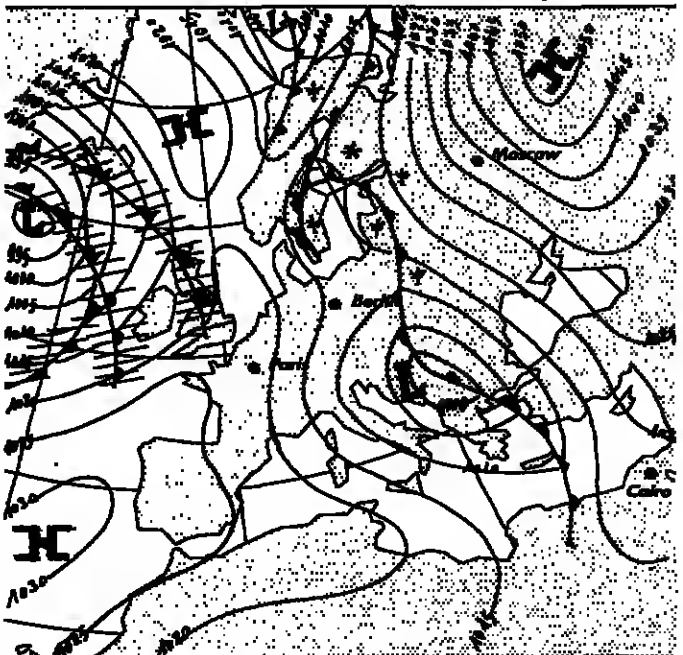
Solution to Previous Puzzle



WEATHER

	C	F		C	F		C	F
ALABAMA	15	59	Fair	MADRID	12	54	Fair	
ALASKA	16	59	Misty	MIAMI	26	79	Cloudy	
AMSTERDAM	17	43	Cloudy	MILAN	15	59	Fair	
ANTWERP	18	64	Cloudy	MONTREAL	-2	28	Cloudy	
BARCELONA	20	77	Fair	MOSCOW	3	38	Misty	
BELGRADE	12	54	Cloudy	MUNICH	3	38	Misty	
BERLIN	4	39	Misty	NEW YORK	12	54	Fair	
BIRMINGHAM	14	57	Cloudy	OSLO	3	38	Fair	
BUDAPEST	10	50	Cloudy	PARIS	10	50	Cloudy	
CASABLANCA	14	57	Cloudy	PRAGUE	3	38	Fair	
COPENHAGEN	5	41	Misty	ROME	11	52	Cloudy	
COSTA MESA	21	70	Fair	SOFIA	11	52	Cloudy	
DUBLIN	9	48	Overcast	STOCKHOLM	4	40	Fair	
EDINBURGH	14	57	Cloudy	TORONTO	11	52	Cloudy	
FLORENCE	11	52	Overcast	TULSA	11	52	Cloudy	
FRANKFURT	2	36	Misty	TURIN	12	54	Cloudy	
GENEVA	7	45	Fair	VENICE	12	54	Cloudy	
Helsinki	5	41	Misty	VIENNA	12	54	Cloudy	
HONG KONG	24	75	Cloudy	WASHINGTON	17	63	Fair	
ISTANBUL	14	57	Cloudy	WILSON	17	63	Fair	
JAKARTA	21	70	Fair					
LONDON	9	48	Overcast					
LOS ANGELES	21	70	Fair					

Situation Forecast for Noon G.M.T. Tuesday



Thunderstorm	TS	Warm Front	~~~~~
Rain	///	Cold Front	~~~~~
Snow	X	Occluded Front	~~~~~
Wind Direction	→	Quasi-Stationary Front	~~~~~

Beauty Kings Feel Pinch

CLEVELAND, Nov. 19 (AP) — The blushing beauty pageant contestants, clad in tight swimsuits, paraded through onlookers who patted thighs and administered an occasional pinch.

"This has been really weird," said one of the six contestants — all men — who put their charms on display before an audience of women.

"Now I recognize what women go through."

The contest at Case Western Reserve University was arranged by lecturer Warren Farrell, author of "The Liberated Man: Freeing Men and Their Relationships With Women."

Mr. Farrell lined up the men and told women in the audience to pick the ones they wanted to date. The men were told to decide which women they would date based on their salaries and what the women would be doing five years in the future.

"For most women, their body is what will determine the financial support they will have for the rest of their lives," Mr. Farrell said in a recent interview. "For every laugh we had, there was a serious message."

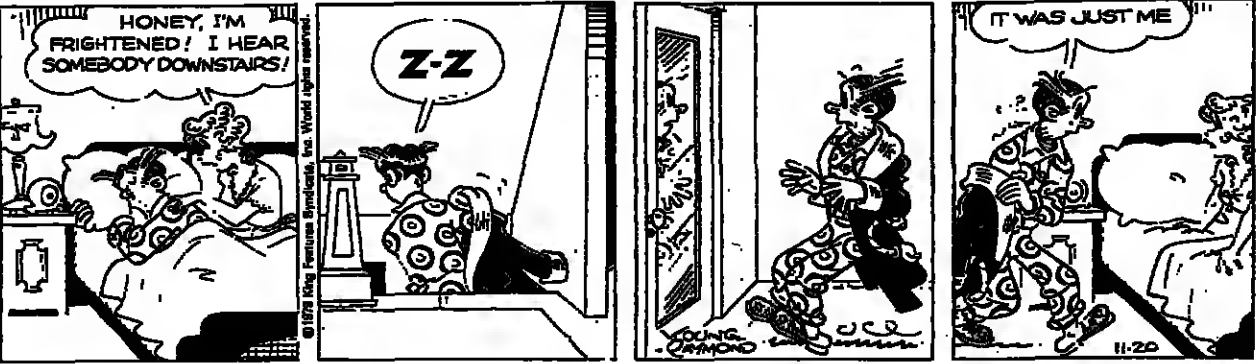
PEANUTS



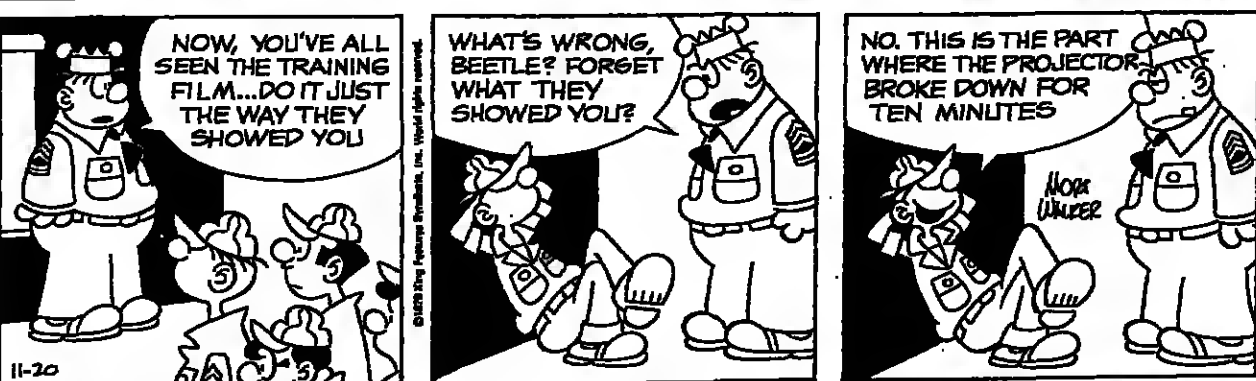
B.C.



BLONDIE



BEETLE BAILEY



ANDY CAPP



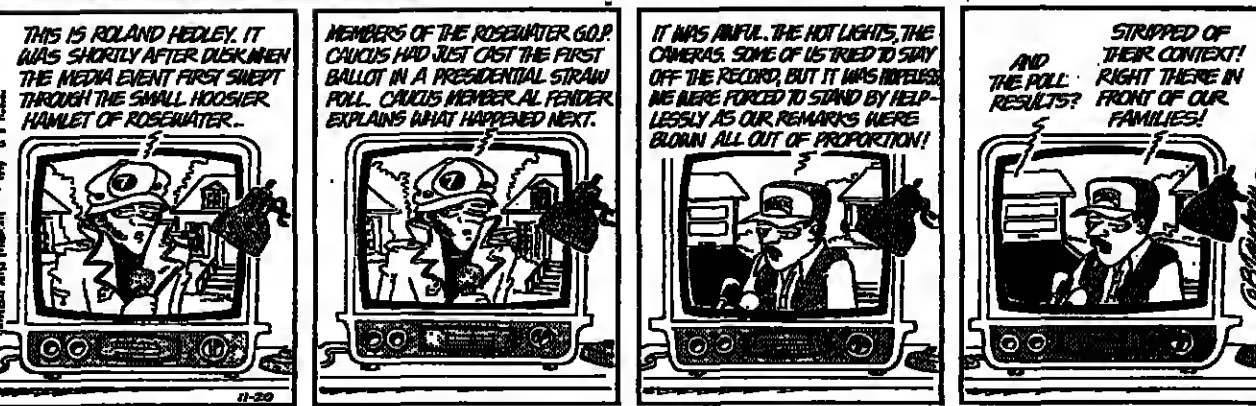
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REX MORGAN

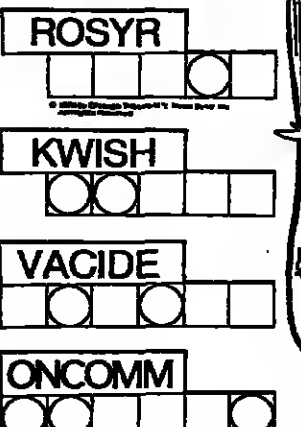


DOONESBURY



JUMBLE

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.



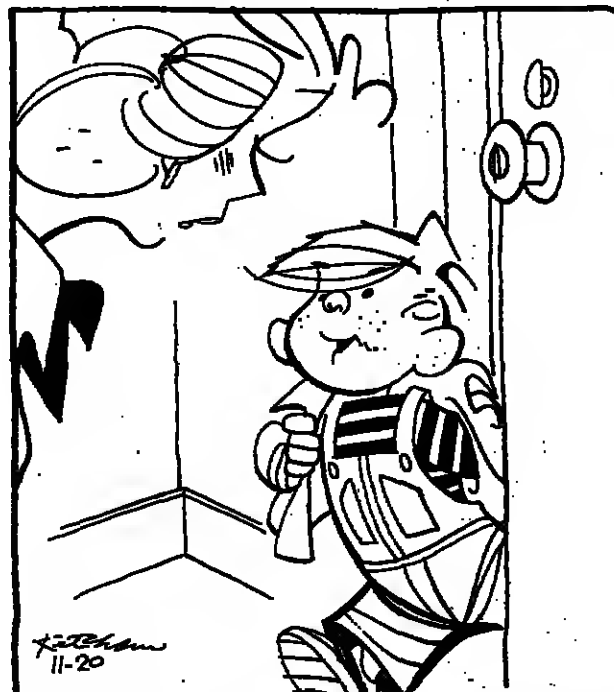
Answer: "O O O O" AT THE "O O O O"

Yesterday's Jumbles: WEARY TEPID GARRISH HANDLE

Answer: Use the one you have and you'll get this — "A-HEAD"

"Registered as a newspaper at the Post Office" "Printed in Great Britain"

DENNIS THE MENACE



BOOKS

THE WINDSOR STORY

By Charles J. V. Murphy and Joseph Bryan 3rd
Morrow. 639 pp. \$17.50.

Reviewed by Eve Auchincloss

HEAVEN has been described as eating caviar to the sound of trumpets, but hell is more various and familiar. One trifling model of it was lately on display in the 35-year marriage of the Duke and Duchess of Windsor.

Photographed with her pug dogs and innumerable trunks during perpetual arrivals and departures on the Paris-New York-Palm Beach circuit, drizzling their sterile lives away in nightclubs, she is an immaculate nutcase, a drooping, withered child, the Windsors, sleepless, weightless, tormented by rage, greed and boredom.

For 40 years he had been Prince Charming, at the center of a solar system, yet when as Edward VIII he came into his inheritance, he cast it all away — kingdom, empire, royal residences, offices, titles, duties, honors, honor itself — for the woman he loved. Or so the fairy tale relates.

The truth is more complex, and few know it better than Charles Murphy, once a writer for Life, who at Windsor's request and on orders from Henry Luce, ghosted the couple's autobiographies. With his old friend Joseph Bryan 3rd, a retired naval officer and writer, whose path often crossed the Windsors', he spills his version of the beans. One would have to be insensitive to recall the appalling account they so skillfully tell without gloating fascination.

The Duke of Windsor's childhood was miserable. He grew up unloved, uneducated, emotionally and physically childlike. At 20 he looked 12. But the smiles that sometimes lighted his moody face were attractive. His demeanor in uniform during World War I made him the idol of the troops, and he deserved it. After the war he won all hearts on his "princing" world tours and less glamorous visits to depressed industrial areas.

He remained the world's most eligible bachelor, with a compulsion to fall slavishly in love with older, married women. While his mistresses were discreet, no one minded. But when he met Mrs. Wallis Warfield Spencer Simpson, he was doomed. She was a middle-aged, twice-married native of Baltimore with a madonna hairdo and a determined jaw. Cecil Beaton recoiled at her first meeting: She was "rowdy and raucous. Her squawks of laughter were like a parrot's." She was soon giving orders in the prince's households, and in nightclubs flashed her superb jewels in smart new settings. The prince offered even more, and she scuttled nice Mr. Simpson when she glimpsed the glittering prize. Queen Wallis, the old king died in 1936, predicting that "the boy will ruin himself in 12 months." It only took 11.

As King Edward VIII, the infatuated lower spent little time on the job. Like his servants, he took his orders from Mrs. Simpson, devoting himself to her excitement and status. People close to him began to realize incredulously that he meant to be crowned with her at his side. While they flattered themselves in the Mediterranean on a yacht, a constitutional crisis stirred at home — though thanks to a press blackout the British public was only partly aware of the little world that had never heard of Mrs. Simpson. When people finally found out, they were sympathetic but sorry: "Too bad he couldn't love a better woman."

Queen Mary refused to meet her son's mistress and when asked why, flouted him with a perception that cannot, in hindsight, be faulted: "Because she is an adventuress!" The divorce of the "queen-to-be" would become final just in time for Coronation Day in May 1937, but it was mercifully not to be, not with the original cast. At last realizing he couldn't get away with it, the king abdicated, leaving his reluctant brother to pick up the pieces. A farewell to his people was spoken in a radio address that brought tears to many eyes though not all: One listener scornfully deemed it "hot-making and melodramatic."

Married life began badly with a message from King George VI that the Duchess of Windsor was not to be addressed as Royal Highness. The former Simpson would spend the rest of her life raging — not awfully — at being no more duchess, and she never moment let the duke forget he had failed in this and a thousand other matters. Waiting in the withered title and a job, the duke, they gadded about. The zled crowds that cheered Mrs. Simpson had no way away. In rented houses owned by the duchess, they lived away a foolish, undignified, tenacious devotion to clothes, nightlife and ever transpiring whom they failed, behind backs, "horrible" and "glaring."

That Windsor, now a "rand boy," was not the man he once was, was made plain by World II. When German troops proscribed Paris, he turned to Spain, where he had an open ear to German propaganda. He held himself ready to go to the throne of occupied England with Queen Wallis beside Churchill got him out of the sending him to the Bahamas. But it surprised no one before the war was over he camped from what the duke called "this lousy hole," hoping that the duke would make ambassador-at-large to ington.

But all that was left, besides ing time, was his self-serving biographies. His was a belated attempt to restore glamor and to his dim and battered. The writing of it called for pain. Murphy spent years turning Windsors on their rounds, for the duke to rise bleary-eyed late nights or while he summons from the duchess thing to impede the remembrance of a past in which she had inured), fashioning of the crumbs dropped during his 24-minute odds of concentration an elegiac narrative that won Windsor's served praise as a writer. Mrs. Simpson got into the book of had the gall to wonder in his duction "how the Browning another writing couple — "the similar problems."

This sad-faced little madam, Ernest Simpson had him), goaded, nagged and lured, was pathetic indeed. After words from his wife, he was to ask, "Are you going to go to bed in tears again?" And he hesitated to spring to arms saying, "Just a second, dear, have something on my mind," exploded, "On your what?" He adored her until his dying day truly believed her the woman.

Before spending pity on heartless virago's third husband one must take stock of his life. Prince Charming he had been as Malcolm Muggeridge said, Charming would never do. His indulgence, rudeness, vindictive and utter irresponsibility tarnished the hollow charm. His costly, noblesse, dignity, and decency were missing from makeup, and when he died in there was embarrasment. A widow was heard to exclaim: "The gesture that embraced the wife of their paltry life — chandeliers, mola chests, the Garter band, Stubbs portrait, George III silars, mottoes — "Everything... everything connected with and the duke is mine! Everything!"

This has been condensed from view Eve Auchincloss wrote for Washington Post.

Danes Hold 16 Filipinos
COPENHAGEN, Nov. 19 (Reuters) — Narcotics police arrested 16 Filipinos and others with drug smuggling, said today.

BRIDGE

By Alan Truscott

SOUTH played the diagramed deal in five clubs. He drove the bidding to game when his partner admitted possession of a few clubs and a few points by bidding two clubs over the one-spade overall.

When West led the spade ten, South was in danger of losing a trick in each suit. He allowed East to win the first trick with the queen, and won the spade continuation with the ace. The diamond queen was led, and when West won, he had trouble deciding what to do next.

As it happens a heart would have been safe, but West feared that South held a heart suit headed by A-J. As the cards lie, West could even have returned the club king and defeated the contract, for South would have wound up losing a heart trick.

But West chose to play a diamond. He knew the diamond situation, but he wanted to give the declarer every opportunity to finesse in trumps.

However, South saw that a winning trump finesse would not produce 11 tricks, for he would still have a heart loser. He needed to establish the fifth diamond, so he

	NORTH		EAST
♠	53	♠	Q94
♥	Q9	♥	K783
♦	K783	♦	8532
♣	AKJ1072	♣	Q94
	754		K783
	A83		8884
	K		88
	SOUTH		WEST
♠	AK	♠	AKJ1072
♥	A83	♥	Q94
♦	Q94	♦	K783
♣	AKJ1072	♣	8532

Both sides were vulnerable. The deal was played in five clubs.

JANUARY 1980

Chargers Rout Steelers, 35-7, Behind Fouts

DIEGO, Nov. 19 (UPI) — The San Diego Chargers passed for two touchdowns and a field goal to rout the Pittsburgh Steelers 35-7 in a National Football League game.

Chargers, who led 21-0 at halftime, recorded their first victory in seven attempts as the two teams began their season in 1979.

Quarterback Dan Fouts, who led the Chargers to a 16-0 record in 1978, completed 24 of 37 passes for 313 yards and three touchdowns. He finished with a 100-yard pass to tight end Mike Breen for a touchdown in the fourth quarter.

Steelers scored their only points in the third quarter on a 2-yard run by Rocky Bleier.

Chargers' 21-point lead was extended to 28-0 in the fourth quarter when Fouts threw a 33-yard touchdown pass to tight end Mike Breen.

Steelers' defense was unable to contain the Chargers' offense.

Chargers' defense held the Steelers to 100 yards in total offense.

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Reggie Rucker, a wide receiver for the Cleveland Browns, dashes past Tim Foley, a Miami Dolphins safety, to score in overtime. The Browns defeated the Dolphins on the pass play, 30-24.

Aga Khan Upheld on Boussac Sale

Murty Loses Another Court Test on Horses

By Samuel Abr

PARIS, Nov. 19 (UPI) — A three-judge court ruled today against Wayne Murty, an American horseman, in his battle with the Aga Khan for 56 horses purchased from the bankrupt Marcel Boussac, once the king of the French turf.

The court ruled on three separate suits — by Murty, by the liquidators of the Boussac stable and by the Aga Khan. In each case the loser was Murty, a 43-year-old horseman based in Lexington, Ky.

First the court upheld the liquidators' sale of the horses to the Aga Khan, which Murty had challenged as illegal, characterizing it publicly as "the damndest swindle of all time."

Then the court ordered Murty to pay 1,080,000 francs (about \$260,000) to the liquidators for seven horses that were missing when the Aga Khan received the Boussac lot. Murty has admitted selling three and keeping one, adding that two died and one never existed.

Injunction Issued
Finally Murty was ordered to pay 251,000 francs to the Aga Khan for damages in a campaign that Murty has made no attempt to hide.

In a significant action, the Tribunal de Commerce judges also ordered the French Jockey Club, the Société d'Encouragement, to issue duplicate official papers, known as passports, for the disputed horses.

Murty has refused to surrender the papers during a year of litigation. Asked recently as last week at a hearing on the suits, if he was prepared to yield the passports, Murty said angrily, "Not a chance, not after the way French justice has gone."

He was in the United States and not available for comment here, but his main lawyer, Olivier Paton, said an appeal was planned.

Just Back Home
The Aga Khan was also unavailable for immediate comment. Aides said he had just returned from a visit to Australia and had not yet been briefed on the court hearing, let alone the judgment.

But a senior adviser commented on the court's ruling: "I am not surprised. The fact that Mr. Murty did not want to hand over the papers was decisive. He showed a lack of respect for previous court rulings and for the law, and this obviously did not sit well with the court."

The Aga Khan's adviser was especially pleased that the court had ordered duplicate passports issued. "Without those papers," he explained, "we could not register the foals at the end of the year. Sixteen foals have been born to the disputed horses this year."

This is the third court test Murty has lost since he bought the horses from Boussac in July, 1978, during a legally hazardous period before bankruptcy was declared.

Among the Finest
Murty paid \$480,000 for the 56 horses, mostly mares, including fillies and foals with some of the finest bloodlines in Europe. The price has been legally judged low for the breeding potential.

Shortly after the purchase, Murty has charged, he was approached by an agent he believed was working for the Aga Khan and asked to sell the horses at a small profit. When he refused, Murty said, the agent threatened that Murty would not be granted export licenses from France. In fact, the licenses were denied.

After Boussac went into receivership, the Aga Khan submitted a bid for the entire stable, 200 horses including the 56 Murty thought he owned. After a series of bids by Murty and the Aga Khan that were revised upward, the receivers, or syndic as they are called here, decided in favor of the Aga Khan's bid.

Seizing the horses with a court order, the receivers sold them to the Aga Khan, who has raced a few and bred the rest. Since the breeding value of the mares is dubious without the official passports, the legal fight has focused on the documents.

As part of his campaign, Murty has waged a battle of publicity, seeking to discredit the Aga Khan, Jean Romanet, the head of the French Jockey Club, Henri Blanc, the head of the French National

Stud, the receivers and a large company of French judicial, political and racing officials.

Underlying Murty's handling of his suits has been his conviction that, as an American, he had no chance of winning in a court in France, where the Aga Khan is among the leading breeders.

Murty was here last week, a grudging visitor to the suits were heard. "They know this is the busiest time of the year for me, the start of the thoroughbred sales in Kentucky, so this is the day they schedule my suit to be heard," he complained, not feeling the need to explain why "they" were.

He had arrived on a flight from the United States that morning and planned to return that night. Asked why he had not remained in Kentucky and left the hearing to his lawyers, Murty replied, "I'm afraid not to be here in case I miss a stroke."

Full Understanding
He did not seem optimistic about his chances but he was pleased with his new lawyers.

"They understand the case," he said. "They tell me, 'you've been had' — straight, place and show, and I certainly have. Finally I've got somebody who understands that." The thought seemed to cheer him up.

Murty's disagreement with his previous lawyer reflects his feelings about his chances here. "I made a mistake," he said, "in not clearing him out in the social sphere. If I had I would have seen that his wife was in pretty deep with some of the Elysee Palace people."

Another Theory
His lawyer, Paton, saw less of a conspiracy. With legal training in France and at Harvard, Paton understands the differences between French law and what he termed Anglo-Saxon law, lumping Americans and Britons together as the French do.

"Unfortunately for Mr. Murty," Paton said, "there is no discrimination clause here. The courts can correctly say that it is their right to favor the Aga Khan over Mr. Murty as long as the law has been obeyed."

"What we are trying to show is that the law has not been obeyed, that the sale to the Aga Khan was carried out illegally because it did not follow court procedure."

Murty looked as if he wanted to say something more, but it was time for the hearing to begin. Setting his face, he entered the room, flanked by his lawyers and a representative of the United States Embassy, invited there, he explained, to protect his rights.

After finishing his career at the University of California as the fifth-leading scorer in the school's history, Coughran was drafted in the fifth round by the Cleveland Cavaliers.

His initial bid to make an NBA squad was frustrated because of problems holding long-term, no-cut contracts.

But for Coughran, failure turned to good fortune when he was contacted by a touring team from Spain and asked if he was interested in playing in Europe.

The 1980 NIT also will see the start of a 12-man tournament all-star team that will travel to Europe during the summer months to play national teams there, Carlesimo said.

He also announced the formation of a women's NIT to be held as a preseason event starting in November, 1980.

A shotgun blast from another car killed Bostock, 27, on Sept. 23, 1978, while he was riding in a car in downtown Gary. He was shot as he sat next to Smith's estranged wife, Barbara.

"Some people have the power to make others insane," a defense lawyer, Nick Phoros, said, referring to Barbara Smith. He said Smith was "turned into pulp" by her but might live a normal life some day, with proper treatment.

Smith, who pleaded not guilty because of insanity, did not testify during this trial, but did during a previous trial that ended in a hung jury in July.

The prosecutor, Jack Crawford, said if Smith went to a mental hospital he would get out one day, get his shotgun and go straight for Barbara Smith "and this time he wouldn't miss."

Real Madrid Sends the NBA a 28-Year-Old Rookie

OAKLAND, Calif., Nov. 19 (UPI) — Even though he is a 28-year-old rookie, John Coughran says his circuitous route he took to reach the National Basketball Association was worth the effort.

"Why didn't I come back sooner?" he responded to a recent question after a workout. "I had a chance to see the world. That's an education in itself. It was an experience that I don't think I would have wanted to give up."

Fifth-Round Choice
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Red Smith

Visiting Football's Shrine

NEW YORK, Nov. 19 (UPI) — In Ann Arbor, Mich., Waco, Texas, Seattle, Wash., and way stations, college football teams were contending for invitations to post-season bowls. In New Haven, Conn., they were undergoing a religious experience. It was The Game, Yale versus Harvard in the shrine called Yale Bowl, the 96th observance of a rite first solemnized 104 years ago.

"The Game is," to borrow an understatement or two from the program, "something more than a gladiatorial combat or even a grand spectacle. It is an occasion of high ritualistic significance and as becomes such solemn feasts it is hailed by an evocative glow of precious memories; it has connotations and associations only tangentially related to the thrills and counter-thrills exchanged in the arena we look upon in any given year."

In the parking lots, the scent of pine needles mingled with the bouquet of juniper as pilgrims in tweedy vestments offered sacrifice to the gods of their choice at tailgate altars. Some gods, it appeared, were appeased by ground beef, other required martinis.

Rare Full House
Devotions were attended by an estimated 72,000 parishioners, the largest congregation to watch amateurs in the Bowl since the Army game of 1954. Three factors contributed to the first capacity crowd in 25 years: benign autumn sunshine, the sacred nature of the occasion and the chance to see a Yale team complete a season without defeat or tie for the first time in 19 years, the second in more than half a century.

A happy blend of good fortune and good defense enabled the Yales to win the eight preliminary matches leading up to The Game. The defense had been described by Carmen Cozza, the coach, as "without question the best I've had since I've been here." The fortune was just as good; in two narrow escapes, Yale capitalized on two blocked punts to beat Brown, 13-12, and snatched a 23-20 victory over Cornell as the jaws of defeat were about to snap shut.

The Harvardians, on the other hand, had dogged Columbia and Pennsylvania and succumbed to everybody else. They were present as human sacrifices.

In an age when the professionals have charge, it is chic to say that undergraduates provide livelier entertainment than the mercenary alumni. To be sure, the argument goes, the Hessians have attained greater proficiency, but the campus scene remains more attractive, the enthusiasm is more genuine and the mistakes amateurs commit on the field are a part of their charm.

The Bottom Line
Cozza is a coach who specializes in defense and relies on the opponent to make enough errors to let Yale score. This is sound reasoning but it falters when your own team does most of the erring. If that happens, it can produce a scene like that in Saturday's twilight. The bottom line on the scoreboard read, Harvard 22, Yale 7.

In the sections occupied by Harvard non-combatants, thousands of hankies fluttered desolately. In their crimson monkey suits, Harvard's handmen turned up for the Cambridge hymn, "Believe Me If All Those Endearing Young Charms."

As night came on, Old Blues foregathered with classmates on the indoor polo field near the Bowl.

minutes later Yale got a break that promised to set things right, but the promise was almost obscenely brief. Unable to gain after the Harvard kickoff, Yale punted to the Harvard 19-yard line, where a fumble was recovered by Tim Spears — a grandson of the old Dartmouth coach, Dr. Clarence Spears — who plays guard for Yale.

Here was the chance to tie the score. Two plays later the ball was on the 10-yard line but loose. Then it was in the Crimson embrace of John Casto, who plays "adjuster," according to the Harvard lineup. Only Harvard has an adjuster. At Yale he is called the monster back.

Those two fumbles were typical of the day's mistakes. Yale's hurt, Harvard's didn't. The Harvardians committed their share of errors — 12 men on the field, running into the kicker, taking too much time in the huddle — but they had the resources to overcome mistakes. More often than not, the Yale errors came at the least opportune times and did irreparable damage.

It was the third time in recent years that Yale had a winning record in pre-season action — that is matches preliminary to The Game — and a disastrous season against Harvard. In 1968 a Harvard team that couldn't get out of its own way in the first three quarters came on in the fourth to shock the Yales with a 29-29 tie. In 1975 all-winning Yale went into the bucket against Harvard, 10-7.

Still, there is one thing to be said for Yale and Harvard. This is a cynical age when colleges with pretensions to amateur purity are regarded skeptically. The Yales and Harvardians are amateurs and play like it.

points and 12 rebounds a game during his European career, makes no bones about the quality of play among the top teams in Europe.

"I would say the better teams — the final four in the European Cup — probably could play with some NBA clubs. They're pretty good."

In his final year, he joined Ferrigno, an Italian League team in Rome.

Between seasons, Coughran returned to the United States and "worked out whenever I could wherever I could" and made inquiries about playing for an NBA team.

"I always knew I was capable of playing in the NBA, although I haven't showed much since I've gotten here. My biggest thing is learning how to play coming off the bench."

Bostock Killer Is Ruled Insane
CROWN POINT, Ind., Nov. 19 (UPI) — Leonard Smith, accused of murdering a basketball player, was ruled insane by a federal judge.

A 10-woman, 2-man jury returned the verdict about five hours after it began deliberations. Officials said Smith probably will be freed after a commitment hearing in a few weeks.

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